

University of Warwick institutional repository: <http://go.warwick.ac.uk/wrap>

**A Thesis Submitted for the Degree of PhD at the University of Warwick**

<http://go.warwick.ac.uk/wrap/2442>

This thesis is made available online and is protected by original copyright.

Please scroll down to view the document itself.

Please refer to the repository record for this item for information to help you to cite it. Our policy information is available from the repository home page.

15

# **Globalization and Media Governance in the People's Republic of China (1992-2004)**

By Huaguo Zeng

A Thesis Submitted in Partial Fulfillment of the Requirements  
for the Degree of  
Doctor of Philosophy in International Studies

University of Warwick  
Department of Politics and International Studies

July, 2006

**CONTENTS**

Acknowledgements.....V  
Abstract.....VI  
Abbreviations.....VII  
List of Tables and Figures.....VII  
Notes and the Text.....VIII  
Declaration.....IX

**CHAPTER ONE  
INTRODUCTION**

1. China’s Media Politics since the 1980s.....2  
2. Hypothesis, Research Questions, and Definitions.....9  
3. Measuring the Influences of Globalization and TNMCs.....11  
    *De-regulation and Re-regulation* ..... 14  
    *De-monopolization of Media Market*..... 15  
    *De-propagandization of Media Culture*.....15  
4. Research Strategy and Methodology.....18  
5. Outlines of Contents..... 22  
6. Contribution.....24

**CHAPTER TWO  
LITERATURE REVIEW: WHY GLOBALIZATION MATTERS IN CHINA’S  
MEDIA GOVERNANCE**

1 Introduction.....27  
2 Media Governance in the Globalization Era.....30  
3 Liberal Broker Perspective.....38  
4 The Chinese Nationalist Perspective.....47  
5 The Transnational and Transcultural Political Economic Perspective.....55  
6 An Alternative: the Institutional Foundation Perspective.....61  
7 Conclusion.....70

**CHAPTER THREE  
THE MEDIA INSTITUTIONAL TRANSFORMATION SINCE 1992**

1 Introduction.....71  
2 Media Administration in China.....73  
2.1 The Framework of Media Governance.....73  
2.2 Mechanisms of Operational Control.....77

3 The Challenges to the Conventional Media Governance .....78

3.1 The Local Flourishing Media against the Central Monitoring..... 81

3.2 The Penetration of Gobal Media in China.....85

3.3 The Agreements of the WTO.....88

3.4 The Advanced Communication Technologies.....89

3.5 The Claims for Media Legalization.....92

4 The Fading Party-characteristic.....96

4.1 The Changes of Media Guidelines.....96

4.2 The Media as an Industry .....100

5 Media Institutional Changes after 1992.....106

5.1 Bureaucratization of a Triple-Actor Framework.....107

5.2 Specialization of Administrative Institution.....114

5.3 Professionalization of Media Staff .....119

6 Conclusion.....124

**CHAPTER FOUR**

**DEREGULATION AND RE-REGULATION: THE BARGAINS AMONG MEDIA GOVERNING ACTORS**

1 Introduction .....126

2 The Institutional Deregulation .....129

2.1 1992-1999: The Programme Import and Transnational Broadcasting Stage.....130

2.2 1999-2001: the Foreign Capital Penetration Stage.....131

2.3 Post 2001: Open-sky stage.....132

3. Media Diplomacy: Case Study of Rupert Murdoch.....135

4 Three Groups toward Market Openness.....143

4.1 The Party: Establishing a Virtual ‘Great Wall’.....143

4.2 The Cultural Nationalists: Resisting the ‘Cultural Invasion’ .....150

4.3 The Media players: Free the Birds in the Iron-cage.....156

5 Interactions among the Power Groups.....164

6 Conclusion.....171



**CHAPTER FIVE**  
**DE-MONOPOLIZATION AND PRIVATIZATION: RESTRUCTURING OF THE MEDIA INDUSTRY IN CHINA**

1 Introduction .....174

2 The More Market Dynamism, the Less the Party Dominance.....177

2.1 Commercialism as an Engine of Change.....177

2.2 The Increasing Strength of Private Firms in the Publication Sector.....182

3 Decentralization and De-monopolization in the Television Sector.....188

3.1 The Rapid Growth of Local Television.....189

3.2 CCTV: the Weakened Monopoly .....194

4 The Mix of Governmental Deliberation and Market Determination: Media Conglomeration, Cross-media Concentration, and Cross-province Integration.....197

4.1 Guangzhou Daily Group .....199

4.2 China Radio, Film and Television Group (CRFTG).....202

4.3 Cross-province Integration ..... 205

5 Ownership of the Multi-structured and Multi-tiered Mass Media in China.....210

5.1 Party Media in Transition .....211

5.2 Public Media .....214

5.3 Independent Media .....218

5.4 Foreign Media.....222

6 Conclusion .....224

**CHAPTER SIX**  
**DE-PROPAGANDIZATION OF MEDIA CULTURE**

1 Introduction.....227

2 The Rise of Marginalized Content and the Decline of Mainstream Melody.....231

2.1 The Domination of Entertainment-oriented Programming.....232

2.2 Case Study: The Adjustment of CCTV.....236

2.3 Case Study: The Miracle of Hunan Satellite Television.....240

2.4 Tabloidalzation of Newspaper.....245

3 One Servant, Many Masters: Journalist, Journalism, and Media Culture.....249

3.1 The Servant for People or for the Party: Chinese Media Performance in the Two Wars of 2003.....250

3.2 Zola-journalism and the Paid Journalism.....260

3.3 An Alternative: Escapism and Hypnotism of Chinese Media Culture.....266

4 The Struggle for Media Freedom: the Case of the Southern Metropolis Paper.....273

5 Conclusion.....276

**CHAPTER SEVEN**  
**CONCLUSION: DISMANTLING THE PARTY’S MONOPOLY**

1 Introduction.....279

2 Response to the Research Objectives.....280

3 Dismantling the Party’s Monopoly.....282

4. Some Issues for Further Studies .....290

**APPENDIX**

Appendix 1 About Interviewees... .....294

Appendix 2 Legislation on Mass Media in the PRC (1992-2004).....296

**BIBLIOGRAPHY.....300**

## ACKNOWLEDGEMENTS

I would like to acknowledge debts of gratitude to the following people whom I met during the course of this study. Without them it was impossible for this research to reach at this stage.

First of all, I am profoundly indebted to Dr. Peter Ferdinand for supervising this research with encouragement, thoughtfulness and patience.

My heartfelt thanks are also due to the following people for their valuable comments and encouragement on this project: Zhao Yuezhi, Wang Lingjie, Chen Dandan, and Chin-fu Hong.

Further, I would like to express my sincere appreciation to the following people for kindly sparing their time for interview, assisting the research and inspiring me during fieldwork trips: Liu Jiyang, Jiang Jun, Chen Yun, Hu Xiaohan, Andrew Barker, and Jay Blumer. I am also indebted to those people who were promised that their names and other identifying descriptors would be kept confidential. For those it is now regrettably impossible to do so directly, I will repay the debts in the way they would have approved.

Last but not least, I want to thank my wife Li Xin and my son Zeng Yue. The study would not have been possible without their constant support and encouragement. To them, my gratitude is profound.



## ABSTRACT

The media long regarded as a characteristic element of state propaganda in authoritarian regimes have become a key interest for western academic literature. Yet little attention has been paid to the fact that media within an authoritarian country may be influenced by external factors as well. This work addresses this issue and explores the roles external factors like media globalization and transnational media corporations (TNMCs) play in the transition of China's media governance. It argues that transnational forces have increasingly imposed insurmountable politico-economic pressures on the Chinese media regime, leading the state to further embrace the globalised economy and thus promote market-driven policies. As such, the ongoing task of media governance transition has a far-reaching impact upon socio-political systems in the PRC—a pattern of steady institutionalization with Chinese characteristics of media governance is emerging. The socio-political impact of the steady media institutionalization fosters a more relaxed space in both political and social domains. This has also challenged the dominant approaches, i.e., the 'Value-domination', the Nationalist, the Liberal model, and the Trans-cultural model, in the study of media politics in authoritarian states. After examining the changes in media institutions, policy responses, media structure, and media culture, the author conceptualizes these changes as institutional transformation, de-regulation, de-monopolization, and de-propagandization. This dissertation concludes that China's media governance has continuously progressed from the model of 'leader-determined' model towards a 'consensus-building' model with an increase in media participants.

## **ABBREVIATIONS**

<b>ACFTU</b>	<b>All China Federation of Trade Unions</b>
<b>ASEAN</b>	<b>Association of South East Asian Nations</b>
<b>CASS</b>	<b>Chinese Academy of Social Science</b>
<b>CCP</b>	<b>Chinese Communist Party</b>
<b>CCYL</b>	<b>The Chinese Communist Youth League</b>
<b>CPC</b>	<b>Central Party Committee</b>
<b>CCTV</b>	<b>China Centre Television</b>
<b>CPD</b>	<b>Central Propaganda Department</b>
<b>CT</b>	<b>Communication Technology</b>
<b>DMC</b>	<b>Domestic media corporations</b>
<b>EU</b>	<b>European Union</b>
<b>GASP</b>	<b>General Administration of the State Post</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>GE</b>	<b>General Electric</b>
<b>IPR</b>	<b>Intellectual property right</b>
<b>PCG</b>	<b>Party core group</b>
<b>PLAC</b>	<b>Political and Legal Affairs Committee</b>
<b>PRC</b>	<b>People's Republic China</b>
<b>MoC</b>	<b>Ministry of Culture</b>
<b>MoPS</b>	<b>Ministry of Public Security</b>
<b>MoT</b>	<b>Ministry of Telecommunications</b>
<b>NPC</b>	<b>National People's Congress</b>
<b>NAFTA</b>	<b>North American Free Trade Agreement</b>
<b>SAPP</b>	<b>State Administration of Press and Publication</b>
<b>SARFT</b>	<b>State Administration of Radio, Film, and Television</b>
<b>TNMC</b>	<b>Transnational media corporation</b>
<b>WTO</b>	<b>World Trade Organization</b>
<b>XNA</b>	<b>Xinhua News Agency</b>

## TABLES AND FIGURES

Table 3.1	Radio and TV Broadcasting and Publications, 2003.....	82
Table 3.2	Internet Growth in China.....	91
Table 4.1	Foreign Satellite TV Approved by China (1993-2003).....	134
Table 5.1	Revenue of CCTV.....	180
Table 5.2	Tax and Profit of CCTV (million YMB).....	181
Table 5.3	Television Channels in China.....	190
Table 5.4	Increase in Cable Households in China.....	191
Table 5.5	Total Broadcasting Time and the Total Time of Self-produced Programmes of Chinese Television (Hours).....	192
Table 5.6	Most Watched Channels in Beijing, Shanghai and Guangzhou.....	195
Table 5.7	Leading Channels in China Ranked by Audience Share.....	195
Table 5.8	Television Institutions and Channels in China .....	203
Table 5.9	Most Influence State-owned National Media in China.....	213
Table 5.10	Most Influent Public Media in China.....	217
Table 5.11	Most Influent Independent Media in China.....	219
Table 5.12	Most Popular Foreign Media in China.....	224
Table 6.1	Air Time and Audience Share of CCTV's Programming (2000-2002) .....	239
Figure 6.1	Relaying of Global Programme Formats.....	242
Table 6.2 .	Evaluation of Chinese and Hong Kong TV: Positive Evaluations .....	244
Table 7.1	Transitional Model of Media Politics in China.....	285



## NOTES ON THE TEXT

In the main text of this study, Chinese names are presented in the order of ‘family name, given name’ except when citing literature written in English. Namely, when referring to an English work by a Chinese author, her/his name will appear in the order of ‘given name, family name’. In the bibliography, Chinese authors’ names are shown as ‘family name, given name’.

## **DECLARATION**

This thesis is presented in accordance with the regulations for the degree of doctor of philosophy. The work done in this thesis is entirely original and my own, unless otherwise indicated. The author also confirms that this thesis has not been submitted for a degree at another university.

## **CHAPTER ONE**

### **INTRODUCTION**

When Mikhail Gorbachev first opened news media in the Soviet Union to dissenting ideas in the mid-1980s, he could not have predicted the ultimate impact of ‘glasnost’. Indeed, the appearance of alternative information to communist propaganda messages helped dissolve one of the most powerful empires in the twentieth century. The world had expected the same story to take place in China when it promoted its open-door policies and economic reforms in 1979. However, the Chinese Communist Party (CCP) still dominates within Chinese society, and China itself is displaying a picture that is quite different from that of the Soviet Union, where free criticism in the mass media has helped to ‘bring an end to the old Soviet empire’ (Bagdikian, 1992:239). Thus, it is not easy to assess the influence of the democratic potential of foreign media and telecommunications investment, because it may be ‘a myth’ (Lee, 2003:24). In order to assess such an influence, it may be necessary to find answers to the following questions: Is the Communist state sustainable, especially with it being more integrated with the global economy in the information age? Why did the CCP avoid demise when the increasing diversity of information carried by transnational media corporations (TNMCs) and other channels has been flooding into the Chinese media market? What influence does media globalization impose upon China’s media governance?

To answer these questions, the author has established several objectives so as to explore the changing nature of media governance in terms of media institutions, policy

response, market structure, and media culture. These objects are conceptualized as institutional transformation, de-regulation, de-monopolization, and de-propagandization. In-depth interviews conducted during late 2003 and 2004 with senior policymakers and practitioners in the media industry are also incorporated, so as to underpin the arguments. This dissertation concludes that the media's governance has advanced and continues toward institutionalization, and that the CCP's monopoly of media control has been gradually dismantled as the interplay between the TNMCs and Chinese media players has increased in the discourse of globalization. Indeed, the consequences of media globalization may go beyond the CCP's expectations. This chapter provides an overview of the research background, research questions, methodological issues and contributions to China studies.

## **1. CHINA'S MEDIA POLITICS SINCE THE 1980s**

The opening of the People's Republic of China (PRC) to transnational corporations is regarded as a fascinating development in the contemporary period of globalization (Shirk, 1996). Although the communist state exerts tight control, the Chinese media have dramatically changed, along with the restructuring of the economy and civil society since 1979, and more significantly since the calls from Deng Xiaoping for 'more opening, deeper reform' in 1992 (Chan, 1994a; Lynch, 1999; Hong, 1998; Zhao, 1998). The media have experienced a significant transformation, along with political, economic, social, and cultural changes. The 1980s saw a transformative debate on the functions and roles the media play. Some media experts and senior news editors considered that the media should not only serve the party, but also the ordinary people



(Yu Guoming, 2005:4-8). Such an attitude shift led to a revolution in media writing styles. Formerly the party's mouthpiece, many media articles and programmes now turn to issues and formats, which may maximize readership and audiences. During the 1990s, more dramatic restructuring of news media took place. The weekend edition of the newspaper sector began to emphasize the philosophy of 'what the reader wants', rather than the 'what the reader must know'. It is the first time that the Chinese media have shown concern about the taste of audiences within its media structure and content. With the success of programme magazine formats such as 'Oriental Horizon' (*Dongfangshikong*), 'Focus' (*Jiaodianfangtan*), and 'News Investigation' (*Xinwendiaocha*), which have been produced by China Central Television (CCTV) since 1993, reforms and restructuring have become a main theme within the Chinese news media. For the first time since 1949, the news media on the Chinese Mainland developed a function as a 'watchdog' over authorities (Sun Xupei, 2004:5). The establishment of the Guangzhou Daily Group in 1996 became a landmark for media commercialization, or in Chinese parlance, 'media industrialization' (*meiti chanyehua*). This group symbolizes that the media are regarded as an industry. It is different from the Marxist 'super-structure', in which the media are completely attached to the communist party. Since then, the Chinese media have been transformed from being a tool of communist propaganda to a mixed agent of political stability, ideological control, economic growth, job creation, and information provision (Yu Guoming, 2002:6-7). There is an assumption that the ongoing market-oriented, internationalized economy in China has put structural pressure on the media to follow suit. The Chinese domestic media corporations (DMCs) demand much more low-cost foreign programmes, and

transnational media corporations (TNMCs) ask for official market entry in order to gain a substantial market share. These internal and external factors have driven the media authorities to adopt a further type of media governance, namely accommodating new political, economic, social, and cultural situations.<sup>1</sup>

With the largest population and rapid economic growth, China represents a huge potential media market. Many TNMCs have tried to obtain access to this market. However, the communist government regards the media as an instrument for controlling public opinion, rather than as a platform for freedom of expression. Marxist-Leninist theory suggests that the media in socialist countries act as a propagandist, an agitator, and an organizer (Splichal and Lent, 1994: 46). Propaganda, through the heavy-handed manipulation of the media, has been just as essential as the army and police in upholding the CCP's mandate (Liu, 1990). Therefore, all Chinese media are state-owned. Privatization has been a forbidden zone. Foreign media are heavily regulated.

The reality of TNMCs' entering China and the restrictions according to the CCP's philosophy are paradoxical and incompatible. This raises an interesting issue for academic discussion, but it is not covered in the existing literature. While there is much literature that focuses on the cultural consequences of globalization and TNMCs in host countries (Tomlinson, 1999; Reeves, 1993), little analysis has been carried out in terms of the development of media governance. The same is true for China. While TNMCs in China are not new, academics have seen a renewed interest, partly due to the collapse of communist countries throughout the world except in China, and the need to update political and economic communications in the light of rapid changes in the global media

---

<sup>1</sup> For example, in late 2001, China gained membership of the World Trade Organization (WTO). Simultaneously, official approval was announced for several TNMCs to directly broadcast in given areas in China.



markets. Much existing work focuses on media changes in China, but little of this work examines the impact of globalization and TNMCs on Chinese media governance.

The importance of TNMCs in China and the significance of media governance have been neglected in recent social and political science, probably because of the roles of the media in communist countries. Media in these countries act as the mouthpiece of the Party (Splichal and Lent, 1994). With this orientation in mind, the existing literature in English on Chinese media politics mainly focuses on four themes. The first is a general introduction to China's mass media (Howkins, 1982; Chang, 1989). The second theme concentrates on the functions of the mass media manipulated by the Chinese government and CCP as a state or party monopoly to promote public campaigns (Strannahan, 1990; Bilship, 1989), national integration (Liu, 1975), education (Zhong, 2002), and so on. The third is about the struggles for press freedom and media reform. It falls into two sub-themes. One sub-theme is that the open-door policy and economic reforms during the 1980s stimulated intense struggles for press freedom (Lee, 1990; Jernwo and Thurston, 1993; Chu 1994). The other is about rapid media commercialization without independence (Zhao, 1998; Zhao, 2000; Latham, 2001). The fourth theme is the profound influence of internal and external media on reforms in China (Lull, 1991; Chu and Ju, 1993; Chan, 1994a; Lynch, 2000; Chan, 1994b). Such works provide impressive understanding about the changing media structure in China and its far-reaching impact on every-day-life, but they seldom examine the transformation of media governance, which accommodates further economic reforms and dramatic social changes, as well as transnational media corporations. To a greater or lesser degree, these themes follow the 'value-domination' model in their study of media

politics, maintaining that the main features of a given media system depend on its political system. A media system is determined by the value of dominant groups in that society. With this rationale, China could not have any press freedom under the ruling CCP, which penetrates into every corner in Chinese society.

If the CCP's iron fist control of information is effective, or if external global forces such as the TNMCs have no influence on the authoritarian media governance, then there is no need for liberal students to examine the matter further. However, close scrutiny of China as well as other authoritarian regimes, such as Vietnam (Marr, 1998), suggests that the tight control of the media may be challenged when the economic reforms and open-door policy introduced a market logic into the party-controlled media system. In China, this created a fledgling journalism reform movement and fostered the emergence of discourse on media democratization in the mid-1980s (Lee, 1990:1-18). In 1992, market forces gained momentum after the CCP's unreserved embracing of a market economy at least as a long-term objective. As a result, the Chinese economy has kept growing on a fast track for the last two decades, and its per capita gross domestic product (GDP) surpassed 3,800 US dollars in 1999. The change is so dramatic that there was an increasing demand for diversity of media content to meet the changing tastes of Chinese audiences (Li, 2001). These audiences began to switch off from those programmes that were full of propaganda and to seek more interesting things via different means, such as setting up illegal antennas or satellite dishes to receive cross-border channels and access to international information (Chan, 1994a:72-80; Lynch, 1999:Chap.1).

Inevitably, transnational forces have placed heavy political and economic pressure

on the Chinese regime in the process of promoting market-oriented policies and embracing the global economy. For instance, China launched negotiations for joining the General Agreement on Tariffs and Trade (GATT) and later the World Trade Organization (WTO) from the mid-1980s. Hence, the government has been easing its strict regulations on foreign media in an effort to attract more foreign direct investment (FDI), according to the WTO entry rules. Meanwhile, it has loosened the restrictions on market entry for transnational media corporations, too. Therefore, the transnational media corporations, especially the visual media, flooded into China and the media market diversified rapidly during the 1990s. When China officially became a WTO member in 2001, it was obliged to lift trade barriers, including on the media (Tong Bing, 2003a).

It is true that the CCP and the government originally took the initiative to set up economic reforms and open-up policies. However, since its economy deeply has become more integrated into the global economy in the past 20 years, China has increasingly had to follow international rules. Nevertheless, the government is not a weak passive actor. It may determine the extent to which foreign players can penetrate the Chinese media market with gate-keeping policies. But, when it finds its gains from globalization exceed its losses, the Chinese government may compromise with international partners. Both the regulatory responses by the media authorities to TNMCs in the marketplace and the further responses to restructuring Chinese media organizations resulted directly or indirectly from the governmental arrangements.

In all, the dramatic changes in Chinese media structure were not just driven by internal market forces, through which the government has promoted policies of

modernization, decentralization and restructuring. External factors may provide a stronger impetus for change, such as the expansion of newspapers, television stations, radio and news websites, commercial financing, or the high quality of imported programmes, and transnational co-operations. While the processes of internationalization, commercialization, and pluralization have dominated the Chinese mass media in the past two decades (Hong, 1998; Zhao, 1998; Lynch, 1999), few studies have assessed the influence of globalization on media governance, and more empirically, few have concentrated on the role of transnational media corporations.

The main purpose of this research is to provide a systematic study of the latest development of media governance in the largest transitional economy in the world. Specifically, it identifies the impact of transnational media corporations. In doing so, it is necessary to look at the relationships between transnational media corporations, domestic media and the media policy-makers, as well as the changes in media structure, conduct, and performance. Based on the above dimensions, this research has four primary objectives:

1. to identify the roles of transnational media corporations in the ongoing changes of China's media governance ;
2. to explore the incentives for media governance changes stemming from the TNMCs and globalization;
3. to examine the existing and proposed structures of media regulation, assessing the performance of media-policy making; and,
4. to synthesize the above three objectives, and to identify values and institutional features that may be built into future media governance in China.



## **2. HYPOTHESIS, RESEARCH QUESTIONS, AND DEFINITIONS**

In light of the research background and objectives, the basis hypothesis upon which this dissertation is premised is as follows:

**The CCP has a powerful mechanism to control the transnational information flow. Thus, globalization and the transnational media corporations (TNMCs) have little impact on its media governance.**

To test the hypothesis, this research opens up and examines the interactions between transnational media corporations, the state governors, and the market forces for media reforms in the course of Chinese transition. It investigates the following fundamental questions: Why did the Chinese Communist Party (CCP) survive and prosper when an increasing diversity of information carried by transnational media corporations (TNMCs) and other channels has been flooding into the country? What influence does globalization impose upon China's media governance? What are the political implications of the interactions among the increasing media actors?

After investigating the research questions, this study disagrees with the hypothesis based on 'value-domination' model. In the case of China, the features of its media system do not completely reflect its political system. In other words, the monopoly of Chinese Communist Party (CCP) over the mass media has been gradually dismantled in the course of globalization. This study will conclude that globalization and TNMCs have

increasingly profound influence on China's media governance in terms of transformation of media institutions, deregulation and re-regulation of media policy, de-monopolization of media structure, and de-propagandization of media culture.

Some definitions of key terms are also needed. The term 'globalization' is very difficult to define. This study adopts the definition of Anthony Giddens, which 'the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa.' Therefore, 'local transformation is as much a part of globalisation as the lateral extension of social connection across time and space.' (Giddens, 1990: 64) This study defines media globalization as the growing information flow beyond borders through increasing volume and variety of cross-border transactions in media goods and information services, free international media investment, and widespread diffusion of communication technology.

'Governance' has no generally accepted definition. In this study, media governance is defined as the effective exercise of political authority and the good use of institutional resources to manage media issues, affairs, activities, and problems. In other words, it is the collective actions (the use of institutions, adjustment of authority structures and allocations of resources) to create an effective political framework in managing the mass media.

'Media', or 'mass media', refers to those organised channels or means of public dissemination of news, fact, opinion, entertainment, and other information. They include television, radio, newspapers, news websites, magazines, cinema films, and books.

A transnational media corporation (TNMC) indicates a media corporation that



operates in more than one country to provide information and entertainment.<sup>2</sup>

‘China’ only refers to Mainland China here and excludes Taiwan, Hong Kong and Macao.

The time-scale in this research is the period from 1992 to 2004, not only because there are a huge number of existing works involved in the process of media reform, but also because it is a significant period in allowing the Chinese mass media to take shape. The year 1992 was a turning point in Chinese economic reform: the late paramount leader Deng Xiaoping made an inspection tour of southern China and called for ‘further opening’ and ‘deeper reform’. After that, Chinese economic reform progressed at a faster rate and on a wider scale towards internationalization and globalization. The reforms in the mass media also showed such a trend. It is evident that a new media system, especially in the television sector, has been developing dramatically in the past decade. The year 1992 is a cornerstone of China’s media governance, as well as Chinese economic reform.

### **3. MEASURING THE INFLUENCES OF GLOBALIZATION AND TNMCs**

This study sees the institutionalization of media governance as the most appropriate theoretical means of analysis. The model logically ‘opposite’ to the iron-fisted model of media governance is the liberal model, in which interest groups freely create and circulate information under well-structured and institutionalized media governance.

---

<sup>2</sup> David Demers provides the term ‘global medium’ to analyze TNMCs. He mainly focuses on the operation scope of media corporations, rather than their implications on media governance of the countries. See David Demers, *Global Media, Menace or Messiah?* (Cresskill: Hampton Press, 2001).

Institutionalization facilitates disruptive change, rather than 'disintegrative change' (Brzezinski, 1998:4-5). The influences of globalization and transnational media corporations on the Chinese mass media are analyzed along three dimensions: economy, politics and culture. This structure of analysis is rooted in the three-dimensional character of the Chinese news media as a media industry, a party organ and a culture transmitter. As Chris Barker suggests, understanding media governance 'requires a multi-dimensional approach which would seek to understand the connection between the economic, political, social and cultural dimensions of society without reducing social phenomena to any one dimension.'(1997:25) Concerning the complex intertwined relations between international and national forces, both of which are affecting media governance, an analysis from the point of view of institutional arrangements may provide a precise picture.

Before economic reform, Chinese people were overwhelmed by official information and interpretations of reality in the media, in the workplace and even at home (Lynch, 1999:3). After the open-door policies and economic reform, particularly after 1992, the control of the flow of communication was weakened by increasing interaction across borders through economic, political, social, and cultural activities. The media paid more attention to the tastes of their audience and to providing more information and entertainment. This transformation had official acquiescence because it could provide more of a marketplace of ideas, believed to be useful channels for economic reform so as to reduce the poverty gap and to realise modernization. Information from films, TV programmes, music, books and magazines provided by the TNMCs is changing the way the Chinese see the world. Additionally, technological

advances enable people to acquire different information (Pool, 1990).

Normally, there are two main ways to assess the influence of globalization and the TNMCs. One is to examine the audience effect, in which we can understand the extent to which the programmes provided by TNMCs impinge on an audience's beliefs, values, behaviour, and so on. The other is the regulation response, in which we can gain knowledge of the degree to which global pressures affect the regulatory impetus, task, process and outcome. In this study, I focus on the regulatory responses by China's media authorities to manage TNMCs in the marketplace and the further responses to restructuring Chinese media organizations. These responses, through regulatory changes, can be classified and examined from four points of view: institutional adjustment, market entry, media structure, and operation norms. These views are examined respectively in Chapter Three, Four, Five and Six.

The rationale for this research stems from two academic perspectives. One is the liberal perspective, which examines how and to what extent the free flow of information can stimulate, enhance and consolidate democracy. The other is institutionalism, which scrutinizes media structure, conduct and performance in order to evaluate transaction costs, participation, predictability, stability and transparency in the process of media governance. In this study, I combine the strengths of the two perspectives in order to examine the influences of globalization and TNMCs on China's media governance.

It is worth pointing out that any examination of the influences of globalization and TNMCs is difficult and less meaningful when using quantitative measures, since the relevant data provided in China is inappropriate (I will discuss the data issue in the following section). A better option is that of qualitative measurement, or indeed, a



combination of the two. In this study, I emphasize qualitative research as a means of identifying the relationships between TNMCs and the other actors involved. I distinguish between the influences of the TNMCs on China's media governance as 'active' and 'counteractive'. The 'active' effect is a direct result of the interventions of international programs, broadcasting, and capital in the Chinese media market. This could generate short-term and quantitative changes. Having more potential, the 'counteractive' effect is the second-stage effect. It represents the way that the Chinese mass media adjusts its operation models to face global pressure and to work in a global environment. It drives the qualitative change of the Chinese mass media and the model of media governance. I firstly ascertain the tasks of TNMCs in shaping regulations in the Chinese media market, the motivations of the authorities in reshaping regulations, the bargains between TNMCs and the regulators, and the outcomes and adjustment of media policy decision-making. Moreover, I will also scrutinize the regulatory changes concerning the domestic media, which indirectly respond to the TNMCs. In other words, I seek to examine the structure of network relations, the process of consensus building and the outcome of joint problem solving of media governance in the 1990s.

Investigations are made into Beijing, Shanghai, and Guangzhou in three processes of media governance: deregulation and re-regulation of market entry; de-monopolization of the media market; and, de-propagandazation of media culture, respectively. They may provide rich implications for further discussion on Chinese media politics.

*De-regulation and re-regulation* mean the tendency to lift restrictions on mass media in terms of the structure of ownership, production, distribution and promotion. Influenced by transnational forces, Chinese authorities have loosened many regulations

regarding mass media, according to international trade agreements and the negotiations between TNMCs and China's media regulators. This is discussed in Chapter Four.

*De-monopolization of media market*, partly resulting from de-regulation and commercialization, is the tendency of media market structure to become multi-tiered, multi-channelled, rather than a state-owned monopoly. It places greater emphasis on market position and profitability, even among state and public service broadcasting and telecommunications firms; it also puts much weight on audience size, advertising revenue and producing programming with international appeal and adaptability to other media platforms. As the authorities have reduced and even stopped financial subsidies, Chinese media have to seek survival in the market. For more efficient operations, domestic media struggle for more autonomy in terms of operational scale and scope, resource locations, and even share structure. The TNMCs bargain with regulators to build up their own platforms of production, promotion, and distribution. As a result, China's media structure is transformed from a party-monopoly into a dualistic system, in which state-owned and private-owned media, national and international media compete with each other in the emerging market place. It is discussed in Chapter Five.

*De-propagandization of media culture*, insofar as it is related to deregulation and de-monopolization, is presented in Chapter Six. It refers to the transformation of Chinese journalism from mono-Marxist journalism to a mix of Zola-journalism (Gross, 2002:120-121), paid journalism, escapism, hypnotism, and populism. The change in media culture represents an increasing diversity of media content, which now focuses on amusement, entertainment, and information, rather than on pure politics, ideology, and controversial issues. The media play a critical role in providing entertainment because of



encouragement not only by the government, but also by the market. This may lead to ‘dumbing down’ of society, making citizens less sophisticated in the ways that they think about politics.

As the authorities have changed their rules on the TNMCs since the 1990s, three policy logics—party logic, culture logic, and market logic – are involved in the process of media governance. These logics represent different interest groups, but they may share common ground in some particular cases. Party logic still stands in the most dominant position. The next is culture logic. Media logic has to struggle for more effort by policymakers.

*Party logic* refers to ‘the structural and cultural assets that govern the communications enacted by the parties’ (Mazzoleni, 1987:81). Mao Zedong made the role of media unequivocally clear in 1942 (1983: 96-98). He demanded that ‘a comrade thoroughly conversant with the Party’s correct lines should read the galley proof to amend its incorrect views before publication’ (Mao Zedong, 1983:155). Newspapers and news agencies should be tightened by the Party committees’ supervision. As Yuezhi Zhao points out, the party’s purpose is ‘to educate the people, to win mass support for and active participation in carrying out the policies’ (Zhao,1998:24).

*Cultural logic* refers to the concerns for the protection of cultural identity through media governance. It is always linked to nationalism, and the notion that nations should be sovereign in their own territory (Sparks, 1994:6-7). Nationalism is likely to reconsider the idea of cultural harmonization resulting from the extensive penetration by Western media content in the form of advertising, film, and television programming. Like many other developing countries, China believes that a small group of Western



countries, mainly the USA, not only control the international media trade but also use it to transmit their particular cultural and economic values such as individualism and consumerism to developing countries. This logically leads to so-called cultural protection policy.

*Media logic* is a set of values and formats which media practitioners and organizations demand in order to promote a particular kind of presentation (Mazzoleni, 1987). It requires the media to provide a forum in which ideas can generally be argued, and serves as a basic mechanism for providing a commentary on and criticism of government performance. The first step towards media logic in China is that of media reform, in which the media industry moves from a planned economy to a market economy. The significant shift is the transformation of the media's role from 'propaganda instruments' to 'an industry', from 'leading the masses' to 'serving the consumers', and from 'tools' to 'service providers' (Zhao, 1998:47-51). Therefore, the media industry has shown an encouraging picture, with an increasing number of media outlets and a dramatic change of media content, which is 'less hollow and emotional and more realistic and pragmatic' (Hong, 1998:40).

Globalization and economic reforms are the main forces forming the current mix of party, culture, and media logic in the Chinese media system. This logic is affected by external factors and internal factors. External factors are the TNMCs, international trade bodies, or international political and social unions like the WTO and the UN. Internal factors include the CCP, the government and domestic media. In the economic process, there are three types of actors: consumers, firms and governments. Likewise, these actors act within a media economy and play important roles as well (Doyle, 2002a:4).

To put it briefly, I class them into three kinds of actors: regulators, the Chinese domestic media, and TNMCs. These actors integrate together during policy decision-making and the process of media governance. Regulators refer to domestic policy-makers, including the Central Propaganda Department (CPD), the Ministry of Public Security (MoPS), the State Administration of Radio, Film, and Television (SARFT), and so on. They stand at dominant and decisive positions, collecting opinions and concerns from the domestic media and TNMCs, and thereby making final decisions as to whether to practise censorship. In some cases, regulators arbitrate in conflicts between the domestic and TNMCs. Among the regulators, the government is concerned with regulatory, technological, and administrative affairs, and the Party decides on programming policies, content, and reporting themes (Interviewees 1 and 2; Hong, 1998:48). The domestic media struggle against regulators for more freedom and independence on the one hand, and ally with the regulators to prevent TNMCs from penetrating into their markets on the other. Naturally, some of them ally with TNMCs and call for more freedom and autonomy in terms of media cooperation and market entry. In contrast, the TNMCs are in a weak position. They still struggle for their right of market entry and cooperate with domestic media.

#### **4. RESEARCH STRATEGY AND METHODOLOGY**

The main research strategy used in this thesis is the case study approach. More is known about those capitalist governments that have adjusted their media governance, following global changes, than their communist counterparts. There are many theories available to be tested under the capitalist system (Granham, 1990:161-2; McQuail *et.al.*,



1992; McQuail, 1998), but few theories are available that may be empirically tested under the communist system. In China, a country that promotes open-door policies whilst continuing to face economic and political dilemmas, improved living standards have provoked greater political awareness. In particular, the emergence of middle-class and private enterprises, while accounting for a small proportion of the total population, is beginning to play an increasingly important role in China's political and social arena. Therefore, this study may help to bridge the gap between the capitalist system and its communist counterpart.

The strength of the case study approach is that 'it allows the researchers to use a variety of sources, a variety of types of data and a variety of research methods as part of the investigations.'(Denscombe, 1998:31) It enables the researcher to deal with the complexity of social situations, relationship and process in a way that is denied to the survey approach. It also allows for the use of a variety of methods and multiple sources of data in order to capture the complex reality under scrutiny (Denscombe, 1998:30-41).

To examine media transition, in-depth fieldwork, focusing on comparative research across time from 1992, has been carried out. Although conducting fieldwork research in mainland China is broadly permissible these days, it is still difficult for international researchers to conduct their fieldwork in politically sensitive areas such as mass media, political communication and policy-making. The main reason is, no doubt, that the people involved do not wish to be interviewed because of their high political status and risk of informational disclosure. Some researchers complain that 'the restricted nature of the dissemination of information in the People's Republic of China has caused problems for the analysis of its political decision-making.'(Dreyer, 1996:7) Fortunately, my

experience in the headquarters of *Xinhua News Agency* (XNA) has enabled me to gain many insights into the Chinese media. My background has also enabled me to take advantage of interviews, which provided a wide range of first-hand data. Based on first hand observation, interviews with officials in major media and institutes, fieldwork may contribute to a historical and comparative analysis of government and party documents, of the editorials of XNA and *People's Daily*, and of media self-censorship. This should add to the originality of the study.

Concerning the rationale discussed above, the elite interview is one of the crucial methods in this study. Semi-structured elite interviews may 'incorporate elements of both quantifiable, fixed-choice responding and the facility to explore, and probe in more depth, certain areas of interest.' (Brewerton and Milward, 2001:70) During the research, a number of interviews have been conducted via E-mail, telephone and face-to-face from July 2003 to late 2004. All respondents were promised that their names and other identifying descriptors would be kept confidential. The interviewees drew upon a range of different experiences related to the media sphere in China. 55 in-depth interviews were conducted to examine central issues in Chinese media governance (see Appendix I).

There are three kinds of interviewees that could be selected. They were media-policy-makers (11), communication industry representatives (41), and media researchers (3). The interviewees of media-policy-makers included those at country level (9) and those at province level (2). Questions to these were mainly related to regulatory changes since the 1990s. The major interviewees were drawn from media practitioners including those of TNMCs (4) and the Chinese domestic media (37). For



those from TNMCs, enquiries focussed on the presence of TNMCs in China, negotiation with Chinese media regulators and strategies within the Chinese market. For those from the Chinese media, enquiries related to the transformation of media operations, management and culture when they faced competition from TNMCs. The third category of interviewee, namely media researchers, divided into two groups: those who acted as researchers in media institutions (2), and those who worked in academic institutions (1). One of the purposes of selecting them was to enquire as to the process of media-policy-making. Another was to assess the extent to which regulators considered the influence of globalization and TNMCs on Chinese media governance. Considering the sensitivity of this topic in China, most interviews were carried out in informal spaces, such as tea houses, coffee bars, restaurants, hotels and even within the home. Most of them were not recorded. Therefore, after finished the interview, I wrote down the information related to this theme as soon as possible.

Documentary research was also conducted involving the collection of relevant literature on the topic, including Chinese News Year books (*Zhongguo xinwen nianbao*) from various years, books and journal articles, newspaper articles, brochures and information bulletins from regulation organizations. The Internet web sites of media policy organizations and transnational media corporations and domestic media were an additional source of information. For example, the continuous changes in media governance, driven by TNMCs, are reflected by the official documents of the administration, such as the Central Propaganda Department (CPD), the State Administration of Radio, Film, and Television (SARFT), the Ministry of Culture (MoC), the State Administration of Press and Publications (SAPP), and the Ministry of

Telecommunications (MoT). In addition, the annuals of some key domestic media players, such as the Xinhua News Agency (XNA), the China Centre Television (CCTV), *Renminribao (People's Daily)*, and so on, have been collected.

In terms of data for this study, although the PRC began to import media production since it was established in 1949, quantitative official data that could be used to address the research question at both national and regional levels are available only from the mid-1990s onwards. Given this relatively short period, a chronological analysis of annual data is clearly inappropriate. Since international imports are a dynamic process, and specifically in the case of China, where a huge number of items are imported underground by different companies, the use of panel data is likely to be the most appropriate way for a systematic and efficient analysis of the national and regional distribution and promotion, TNMC trade linkages and the impact of TNMCs. In addition, panel data from such academic organizations as the Institute of Communication at the Chinese Academy of Social Science (CASS) and the Centre of International Communication at Qinghua University might possess some advantages for academic research partly because of the unreliability of official data.

## 5. OUTLINES OF CONTENT

This study argues that there is a substantial impact of globalization and TNMCs upon media governance. The traditional model of media governance has gradually been dismantled and transformed from a 'leader-determined' model to a 'consensus-building' model. This model has become increasingly institutionalised with the increase of governance participants.



In Chapter Two, I review the existing literature related to media globalization and media governance in China. There is much work about those capitalist governments that have adjusted their media governance following global changes, but there is little on the Chinese communist governments. Therefore, there are many theories available to be tested under the capitalist system (Granham, 1990:161-2; McQuail *et.al.*, 1992; McQuail, 1998), but few theories are available that may be empirically tested under the communist system. This study seeks to explore the importance of TNMCs in China and the significance of media governance in China's media politics.

Chapter Three investigates the media institutional transformation since 1992. It provides profound background for further understanding of the Chinese communication system.

The main body displays investigations which are considered in three dimensions of media governance. Chapter Four explores the deregulation and re-regulation of market entry when increasing TNMCs have entered Chinese media market. Chapter Five investigates the de-monopolization of media structure, that is how the monopoly of the party-controlled system has been dismantled under globalization. Chapter Six explores the de-propagandazation of media culture. The investigations could provide rich original material for further discussion about Chinese media politics.

In the conclusion chapter, I employ the term 'dismantlement', which is one of the original contributions in this study, to summarize the media politics in China during the period from 1992 to 2004. It also provides some suggestions for further studies.

## 6. CONTRIBUTION

So far, this chapter has presented the research background, research objectives, research questions, and research methods. This dissertation aims to provide five main contributions to the academic literature on the subject.

Firstly, it provides original, systematic research regarding Chinese media governance. Although China exerts tight control over its mass media, which play a significant role in the social control of the CCP, the country has, since the 1980s, begun to ease its control over non-political fields such as finance, fashion, and technology. This change has been rapid, if uneven, and its process of governance needs to be examined. There has been extensive empirical literature on the relative importance of various changes in the media in China. However, little systematic work has been conducted with regard to media governance. Thus, this research is an attempt to fill this gap in studies of political communication, so as to make a contribution to the understanding of policy-making within China.

Secondly, this research seeks to reverse, or at least to enrich the ‘value-domination’ model within the study of media politics. Traditional academic literature maintains that the feature of a given media system depends on its political system. A media system is determined by the value of dominant groups within that society. This study provides a significant correction to the ‘value-domination’ model, illustrating that although China is still a communist country, its media system does not completely represent the ruling party in the course of globalization. The argument that a single, dominant value system determines all of the important features of a media system and a society is clearly inadequate in interpreting and dealing with a transformative change of the kind that this



study has examined.

Thirdly, this study provides significant evidence as to the main hypotheses proposed in the literature to analyze the political, economical, and cultural determinants of transnational media corporations (TNMCs) in China from a macro perspective. Using original data, this study identifies the role of TNMCs in undermining the dominance of the CCP within the Chinese media market. In cooperating with provincial and local media channels, TNMCs penetrate into most of the provinces of China. The monopoly of Party-media (for instance, CCTV in the television sector, the Xinhua Book Store in publication distribution, the Xinhua News Agency in news releases) has been gradually dismantled. Therefore, China's media structure has been transformed from a party-monopoly to a dualistic system.

Fourthly, the present study is a rich empirical study of the media market competition and its consequence in China. It shows that TNMCs and domestic media are the two important means of pluralization of information, and they could both have a positive impact on policy-makers. The proliferation of media outlets since the 1990s has forced editors to become 'marketeers'. In order to survive in the marketplace, China's state-owned media, traditionally collaborating with non-commercial interests through the support of governmental funding, are now beginning to find new ways of enriching their operations outside the mainstream governmental sectors. The alliance with commercial interests is no longer a taboo, but a necessity, and also a way of dealing with cost-saving pressures. The reforms have had unintended consequences that have further undermined the Party's political monopoly.

Fifthly, and related to the previous contributions, this study provides rich data

concerning the ‘dumbing down’ of Chinese media culture. The implications of entertainment have been significantly ignored in the literature on media politics in China. The presence of TNMCs in China has generated increasing entertainment and a sense of pluralism within journalism. The de-propogandalization of media culture has dismantled the monopoly of Marxist media culture.

## **CHAPTER TWO**

# **LITERATURE REVIEW: WHY GLOBALIZATION MATTERS IN CHINA'S MEDIA GOVERNANCE**

## **1 INTRODUCTION**

This chapter will review the literature related to globalization and media governance in China. It is an attempt to identify a research gap for this study. In general, there is a large amount of literature on China's media, media globalization, and media politics. However, there is relatively little on transnational media corporations (TNMCs) in China and their influence on media governance. In particular, there are several ways of exploring China's media politics, for instance, from the point of view of liberal democracy, media imperialism and nationalism, as well as transnational and transcultural political-economic perspectives. However, few studies tackle this theme from the point of view of institutionalization. The purpose of this study is to fill this academic gap.

The importance of TNMCs is self-evident. The total revenue from China's national broadcasting industry in 1999 was 36 billion Yuan (Zhou Wei, 2002:33), that is, nearly 4.5 billion US dollars. This represents only one ninth of the revenue of AOL Time Warner in 2000 (Hesmondhalgh, 2002:137), which generates businesses in movies, publishing, music, cable TV, and the Internet throughout the world. As can be seen, the annual revenue of a single TNMC can be much larger than that of a country's media market or even the gross domestic product (GDP) of an individual nation-state. The economic power of TNMCs adds weight to our consideration of the significance of media



globalization. In the Chinese context, the importance of TNMCs is twofold. On the one hand, China officially allows TNMCs to enter the marketplace in a limited fashion. On the other hand, it tries to control their influence on Chinese society. This study argues that such complex media governance can be interpreted from the perspective of institutionalization. This may be understood either in terms of the older concept of 'ideological hegemony' (Gramsci, 1971: notebooks 24 and 26) or in the more fashionable terms of 'soft power' (Nye, 1990:153-172; Keohane and Nye, 2001:Chap.1). The institutionalization of media governance in China can also be comprehended either in terms of media transformation from an authoritarian model into a liberal one (Siebert, *et al.*, 1963), or in the democratic sense of the adaptability, complexity, autonomy, and coherence of state organizations (Huntington, 1968: 12-24).

Unlike the literature on Chinese media politics, the approach to institutionalization employed by this research may give rise to a new way of understanding globalization and media governance in the People's Republic of China. It refers to the acceptance of a constitutional process, citizenship ideals and the rule of law (Hu Angang, 2004). In the media sector, the policy of allowing 'a hundred schools of thought to contend' within the Party's orbit has little realistic impact on the formulation of cultural and media policy (Zhao, 1998; Lynch, 1999). It is bargaining between different parties that imposes profound structural influence on media governance. Such a process indicates a combination of institutionalised social practices and increasing entrepreneurialism (Keane, 2001:783-98). Broadly speaking, institutionalization may be the most realistic concept to explain the complex resistance of the Chinese Communist Party (CCP) to pluralization and democratization, which were assumed consequences of China's



integration to media globalization. As Andrew J. Nathan suggests, the survival of the CCP resides in four aspects of institutionalization: 'the increase of norm-bound nature of its succession politics', 'the increase in meritocratic as opposed to factional considerations in the promotion of political elites', the increase of special institutions within the regime, and the increase of institutions for political participation (Nathan, 2003: 5-6). Viewing China's modernization as a process of institutional changes approaching modernity, Fei-Ling Wang contends that the direction of Chinese reforms in the past two decades is 'a state-led modernization: to introduce and "utilize" the market institution.' (Wang, 1998: xiii) The validity and revision of these approaches are considered with reference to China's media politics.

This literature review is divided into three parts. Firstly, it reviews media globalization and its impact on global media governance. Here, it will be seen that little English literature actually focuses on the influence of globalization upon media governance. Secondly, this chapter discusses three frameworks in the literature that are relevant to the impact of globalization upon China's media governance, including liberal democracy, media imperialism and nationalism, and transnational and transcultural political-economic perspective, reviewing their strengths and weaknesses in discussing the theme of media globalization and Chinese media politics. Thirdly, it addresses an evaluation of these approaches, before outlining my own approach, namely the institutional foundation perspective, in terms of Chinese political and social characteristics. With little literature concerning China's media governance, the institutionalization perspective may provide a new approach to examining the transformation of media politics since 1990s in the course of globalization.

## 2 MEDIA GOVERNANCE IN THE GLOBALIZATION ERA

From the 1990s onwards, academics have applied the concept of governance, in order to recognise the fact that not one, but many centres of power link together a whole variety of state actors. These actors could be at the local, regional, national, or supranational level, and cover all facets within the discipline—comparative, economic, societal and regional politics, public administration, and democracy (Pierre, 2000). James N. Rosenau provides a succinct and insightful definition as follows: ‘governance is order plus intentionality.’ (Rosenau, 1991:5) Focusing on the interactions between the actors involved, Jon Pierre defines governance as ‘sustaining co-ordination and coherence among a wide variety of actors with different purposes and objectives such as political actors and institutions, corporate interests, civil society, and transnational organization.’ (Poerre, 2000:3-4) In this sense, governance is seen as a process of activities by multiple actors, including government, institutional players, and individuals. This process contributes to the aggregation of interests and demands, and to the coordination of different actors and their activities. In this movement of governance, ‘modes of coordinating collective action and of integrating individuals and groups into this collective action are changing’ (Pinson, 2002:478). Thus, governance may be examined in three ways, including a new process of governing, a changed condition of ordered regulation, and a new method by which society is governed (Finder, cited by Rhodes, 2000: 55). Good governance refers to ‘creating an effective political framework conducive to private economic action—stable regimes, the rule of law, efficient state administration adapted to the roles that governments can actually perform, and a strong

civil society independent of the state.'(Hirst, 2000:14)

From the 1990s onwards, a significant development in research into governance has been fuelled by economic globalization and the growing importance of transnational political institutions, such as the European Union (EU), the World Trade Organization (WTO), the Association of South East Asian Nations (ASEAN) and the North American Free Trade Agreement (NAFTA), as well as transnational corporations like General Electric (GE), Ford, AOL Time-Warner, and so on. The rapid growth of interconnections between these organizations has made 'globalization' a buzzword for intellectuals, businessmen, politicians, media and other circles. According to the literature on governance, the processes of globalization in terms of culture, politics and the economy challenge the conceptions of territoriality and sovereignty. Some authors argue that states are not the only sources of legitimacy, accountability, and law. International factors are increasingly autonomous and effective (Hirst, 2000: 132-33). Globalization has been a key theme attached to the 'hollowing-out of the state' (Rhodes, 1997). Others oppose the view of Rhodes, arguing that the degree of economic integration in global markets has often been overestimated (Hirst and Thompson, 1996). In many fields, the national government remains 'the dominant factor in determining policy.'(Richards and Smith, 2002: 153) Governance has been concerned with both exogenous and endogenous changes in the policy-making arena. These changes have affected the resources, context and structure of the arena in which the core executive operates. The new governance under globalization does not mean the end or decline of the state, but it means 'the transformation and adaptation of the state to the society it is currently embedded in'(Pierre and Peters, 2000: 68). In other words, the state is still crucial as a goal-setting



structure if not always as an implementing structure.

The debate about the impact of globalization produces an insightful understanding of governance. Some authors have mentioned that globalization has given rise to some particular issues such as independence of policy-making in the developing countries. Political pressure exerted by developed countries has made developing countries open up their economies during the 1980s and 1990s. For instance, the United States used Section 301 of the Trade Act to press heavily for the liberalization of foreign investment regulations (Milner and Keohane, 1996: 24). The gap between the rich countries and the poor ones is widening. It prompts us to explore why globalization does not imply 'either homogenisation or equality' (Keohane and Nye, 2001:230; Thussu, 2002). Globalization creates costs and constraints. Economic integration among individual countries requires adjustment, though it is often painful (Frieden and Rogowski, 1996). Individuals and groups struggle for their loss and gains by attempting to push globalization on their favoured track (Keohane and Nye, 2001:235). This assumption needs empirical data to make it more convincing.

In the media sector, governance is driven by 'a diversity of competing economic, social, political, and cultural goals' (Siochru and Girard, 2002: ix), because the mass media play a special, significant role related to economics, human rights and social issues. In western countries, media governance is mainly linked with the concentration of media ownership. Its aim is to prevent excessive industrial control and to ensure a plurality and diversity of media sources for social, cultural and political development. Thus, regulation is one of the critical components of media governance. In general, there are two kinds of rationale for media regulation: industrial and social regulation. Although there are unique



characteristics in the media sector, media industrial regulation can be justified as necessary to ensure fair competition and to combat oligopoly and unfair trading practices. Critical aspects of media industrial regulation include protection of intellectual property rights (IPRs), concentration of media ownership, and control of gateways between layers of content production, content compilation and management, broadcast management, infrastructure provision, and user equipment production and distribution to final consumers. The importance of the mass media in politics and culture makes the economic regulation of the industry more complex. For most of the countries in the world, social regulation of the media industry aims at ensuring media diversity and plurality to sustain freedom of the press and universal accessibility. Apart from catering to different audience interests, media diversity requires that media content should reflect different views, including dissenting opinions, and remain impartial and refrain from standing for a specific sectional interest. Furthermore, media plurality should offer people different types of media, different avenues for media participation, and different ranges and depth of content (Yu Guoming, 2004a: chap.2-3).

In the process of media governance, there are three types of actors as mentioned in the normative tradition: consumers, firms, and governments (Dolye, 2002b:4). Identifying these actors, Vincent Mosco and Vanda Rideout summarise three basic models of state and media policy in developed capitalist countries (Mosco and Rideout, 1997). These are pluralist, managerial and class power respectively. All the models regard the state as having a critical role. The pluralist model, developed from the view that power is situational, maintains that media practitioners should be regulated to meet broad public interest goals, in order to reflect the democratic principles of fairness and equity.

The managerial model focuses on the influence of bureaucratic rationalization, arguing that there is a causal relationship between the quantity of media services and qualitative changes in the structure of media industries. The class power model contends that media policy should overcome class divisions. Although their analysis is limited to the political economy of communication, Mosco and Rideout outline a roadmap on media policy between the state and the major participants in North America. To some degree, they introduce balance into the discussion of media policy research by remedying the tendency in the literature to respond primarily to the demands of industries affected by media policy and of the government responsible for setting media policy and regulation. In employing the case of China, this study will examine the activities of consumers, media firms and the Chinese government in the course of globalization.

As global forces have increased, models of media governance need to be adapted from the national level to the international one. The state is still important, but international forces receive much more attention. Marshall McLuhan's 'global village' has been partly realized: advanced communication technologies have made information flow beyond borders at a speed and volume never seen in history. The transformation of media corporations from national to international plays a critical role in shaping the on-going globalization (Herman and McChesney, 1997). With the huge number of audiences that it reaches around the world, the recent growth of satellite television provides a good example to demonstrate the scale and scope of media globalization. In Asia, News Corp.'s Star TV reached 11.1 million households within 2 years of its inauguration in the early 1990s. In Latin America, there were one million satellite television viewers by the end of 1997. CNN alone penetrated over 150 nations and

territories in the early 1990s (Wang, 1997:310). Global television channels, such as CNN, MTV, HBO, ESPN, TNT, Nickelodeon, the Cartoon Channel, Discovery, Disney, and so on, began to expand their existing channels from USA to Europe, Latin America, and Asia (Straubharr, 1997). Therefore, media governance at the national level gives way to 'international structures of governance emphasizing trade and commercial considerations above all else' (Siochru and Girard, 2002: ix). Seeing interactions among state, individual, and non-government organizations, David Hesmondhalgh identifies four waves of governing changes in the past two decades, all involved in deregulation, marketization, and privatization.

- The first policy changes initially took place in the USA from the 1980s onwards;
- The second wave appeared from the mid-1980s to the mid-1990s in other advanced industrial countries, such as Western Europe, Canada, Australia, and Japan;
- The third wave arrived in countries which experienced social and political transition after 1989, such as the Soviet Union and China where strong authoritarian traditions of state control and ownership were being replaced or modified by policies of marketization and even 'liberalization';
- The fourth wave influenced all regions and polities with concern for the convergence of cultural industries. (Hesmondhalgh, 2002:115)

Media governance in China, together with that of other transitional states, has been challenged by resistance to globalization in media policy (Yang Boxu, 2003:29-38). In Asia, there are four major types of policy response to satellite television: virtual



suppression in Malaysia and Singapore, where satellite television was banned; regulated openness in Hong Kong and the Philippines, where direct reception of satellite television programmes was allowed, but the authorities exerted control over programme redistribution over cable networks; limited openness in India and Taiwan, where direct reception was illegal; and unintended in China, where the ban on satellite dishes was ineffective (Chan, 1994b:112-130). Overall, John Lent suggests,

‘Mass media in Asia have changed drastically since the late 1980s, owing in part to already cited tendencies toward more openness on the part of governments but also of the universal push toward globalization and its attendant side effects of privatization and deregulation.’(1998:153)

The cases from Asia demonstrate that, to a great extent, global pressure has increasingly significant influence on individual countries in media policy-making. They may respond to global changes, either in an active manner or in a passive one. Facing the challenge of deregulation and the increasing popularity of TNMCs, media policy makers ‘were left with little choice but to adopt a more liberalized policy strategy.’(Wang, 1997: 311) In other words, the domestic media regulatory systems have to be concerned with the direct pressures on politicians and the political process from media giants, who accumulate the excessive market power of individual firms (Humphreys, 1999:27-48). The pressures that come from global institutions have brought about neo-liberal policy changes throughout Latin America and Africa (Milner and Keohane, 1996:255-6). For instance, the WTO, an engine of free trade, plays an important role in reshaping governance in terms of administrative transparency and predictability. Some developing

countries, such as Asian countries like reforming China, have to move from a 'control mode' to a 'developing mode', and even accept media liberalization. In the Chinese context, at least four phrases are used to describe the transition and transformation of media politics, which are 'from party's mouthpiece and tone to party's commercial unit of public opinion' (He, 2000: 112-151), 'from directed propaganda institution to state-owned information industry' (Chen Huailin, 2002:97), 'from ideology media to industrial media' (Huang Shengmin, 1999:5), and 'from political domain to political public sphere' (Qian Wei, 2002:175). Meanwhile, some scholars contend that media governance in China has never changed because 'the Party has left its opponents at the margins of the Chinese information world' (Keller, 2003:133). All these arguments have their merits in helping us to understand Chinese media politics, but they do not regard mass media as important political institutions in politics. They also neglect the functions of different actors at international, national and local levels. Regarding media as critical political actors, this study attempts to fill the gap in studying China's media politics.

Media globalization leads individual states to integrate with each other, and to reconsider their media governance at an international level, rather than only at a national level (McQuail, 1998; Siochru and Girard, 2002). In the Chinese context, as some scholars suggest, the forces driving media transformation are more influenced by 'global events, political processes, and multilateral trade agreements than at any time in the past.' (Keane and Donald, 2002:200) Thus, an increase of the variables in media governance analysis is necessary, in terms of both national and international aspects. With the global trends toward commercialization, liberalization, privatization, and internationalization, there are more concerns about the challenge to national sovereignty

and the increased power of TNCs from the renegotiation of trade agreements and the implementation of new ones, such as GATT, the WTO, and the EU. For instance, the changed nature of European broadcasting raised many issues (Burgelman, 1997). The accumulation of excessive market power by individual firms has been underlined. Together with the electronics and advertising industries, publishers of the press, cable television lobbyists, independent producers, broadcasting facilities companies, and financial investors share a common aim of breaking up the public media monopoly and establishing a regulatory framework that would be favourable to commercial enterprise (Humphreys, 1996). With organizational networks in many networks, these transnational corporations keep operational control to exploit their international business activities and connections (McQuail, *et al.* 1992:22; Hutchison, 1999: 27-48). TNCs, particularly the ones involved in telecommunications, have altered the traditional relationship between state actors and the industry (Youngs, 1996:64-65). The shift of power partly from traditional government to commercial units is probably less visible, but it has much potentiality. Therefore, as media globalization raised issues in the international media market in the 1990s, this study attempts to examine whether cross-border media performance could respect the sovereignty of nation-states.

### **3 LIBERAL BROKER PERSPECTIVE**

In the previous section, the weight of media globalization and TNCs has been discussed, this section will review the liberal perspective on media globalization and TNCs in the context of Chinese media politics. In the literature, the liberal perspective



regards TNMCs, along with globalization, as brokers to break the Chinese authoritarian regime. It argues that freer flows of information and increasing integration in global communication systems have produced a profound impact on reforming China and its media governance (Lull, 1991; Chan, 1994a; Lynch, 1999; Lynch, 2000). These flows would provide alternative information completely different from official messages, weakening the Party's control, and facilitating pluralization of communication. The gap between Party line and reality is widening because many Chinese are able to access different information, 'eroding the legitimacy of CCP rule' (Clemans, 1999:4). These so-called 'spiritually polluting' communications, acting as invisible weapons, have significantly undermined the capacity of the state's media governance to create a 'socialist spiritual civilization' (Lynch, 2000). The cases of East Europe have demonstrated that the TNMCs have significant influence in shaping the transitions of this region in the late 1980s (Bennett, 1998). Therefore, it assumes the same would take place in China's media governance.

The liberals view TNMCs as significant institutions for a nation-state to gain mutual benefits from integration with media globalization. TNMCs are 'the missionaries of our age' (Herman and McChesney, 1997:37). The liberal perspective regards 'the free flow of information' as an effective mechanism to promote political democracy, to maintain social stability, and to produce sustained economic growth. For its supporters, the primary goal of international communication was to promote democracy, freedom of expression and a market-orientated system (Clemans, 1999; Bennett, 1998; Nye, 2002). The heart of the free flow of information is the right of media corporations, particularly the TNMCs, to sell their commodities wherever and whatever they want (Hernman and

McChesney, 1997:17). The liberals insist that via their platforms in advertising and marketing their goods and service in transnational markets, the TNMCs may promote the Western life-style and its values of capitalism and individualism (Thussu, 2000:55-56).

In the Chinese context, Sun Xupei argues that the country's global integration, especially its entry into the WTO, would push the news media on the track to throw off influence from the authoritarian regime (Sun Xupei, 2001;2004). Tong Bing suggests that China's entry into the WTO has driven the Chinese government to improve its administrative transparency, in which the media authorities could adjust their industrial and social regulation to follow international codes (Tong, 2003a, 2003b, 2004). China's WTO membership and integration with the global free trade system would liberate Chinese traditional governance (Wang, 2000; 2002), and the WTO would unleash forces that may hasten the demise of the one-party state (Holbig, 2002:2). Freedom of press and expression is predicated on economic freedom and private property (Zhang Aizhong, 1999; Liu Junning, 2000; Liu Junning, 1998).

All these arguments assume that the global forces may drive China to reduce political interference in the economy in the first stage, then, increase governmental transparency, establish institutions to implement the rule of law, and finally undermine the structural basis of authoritarian regime. Concerning their roles in conveying diverse information, the TNMCs may bring about many benefits to the developing countries in general. This is especially the case for China, in which media globalization and TNMCs may help promote its social development at least in the following three respects.

First, media globalization and TNMCs may contribute to the advancement of a more democratic political order. In a democratic society, political power is institutionally

diffused. The allocation of power to specified agents is realized via the explicit choices of that society. Moreover, competition and participation is intrinsic to this deliberative process. In this process, the media must contribute to a more competitive or participatory political system on the one hand and to the institutionalised diffusion and fragmentation of political power conferred by the electorate upon a chosen group of representatives on the other (Rozumilowicz, 2002: 9-25).

Second, media globalization and TNMCs may support marketized economic structures by providing more information on products and services and promote enhanced social understanding through universal access to information regarding social groups. TNMCs may contribute an organizational solution to inefficiencies and low productivity in the marketplace because they have the resources and capacity to produce higher quality, more content-diverse media products and services (Cai Wen, 2003). They could impose great pressure on the Chinese media to improve the efficiencies of reallocation of media resources.

Third, media globalization and TNMCs may deliver educational, informational, and cultural content to worldwide areas through various platforms like press, radio, television, satellite broadcasting, and Internet. Within free media markets, TNMCs may diffuse managerial skills from media-developed countries to media-developing ones. The managerial revolution is 'the most underappreciated trend in the media industry today' (Demers, 2002:153). In the context of China, free press and free media markets are significant for Chinese society in the course of transformation, modernization, pluralization, and democratization. It is the free market idea that helps create the 'CNN effect', which encapsulates the idea that live reporting via advanced communication



technologies may provoke major responses by the domestic audiences and political elites to national and international events (Hoge, 1994:136-44). If they were under a freer regulatory place, the media in China, including TNMCs and the Chinese domestic media, may become agents in the political process and social transition and function as 'a social institution and democracy' (Hong, 2002:4).

The liberal perspective assumes that if mass media are free of interference from government, business, or dominant social groups, they may play their role as watchdog better. Therefore, the media may maintain and support the competitive and participative elements for modern democratic societies (Rozumilowicz, 2002). Although ideological control persists, Chinese media governance has transformed into a model of media liberalization under authoritarianism (Chan and Qiu, 2002:27-46). The messages transferred by TNMCs, particularly by its entertainment programmes, act as an agent for cultural and ideological changes in China, offering alternatives to uniform official ideologies, expectations, and lifestyles (Lull, 1991). The foreign and domestic television programmes have produced visions of liberation from the suffocating circumstances of everyday life. G. C. Chu and Y. A. Ju draw similar conclusions with substantial data from a 1,500-sample survey in the Shanghai area (Chu and Ju, 1993). Media globalization has become a new factor exerting significant pressure on political change (Ferdinand, 1991:310-311). Daniel Lynch situates China's information revolution in an appropriate historical context. He documented the steady erosion of control over communication channels and messages by the global force in China along with the party's futile efforts to reassert such control (Lynch, 1999, 2002). He conceptualizes this in the term 'public-sphere praetorianism', which means 'a condition in which neither the state nor

any other organized political force can impose order and purpose upon the initiation and circulation of society's communication messages—the building blocks of the “symbolic environment” from which people derive their worldview, values, and action strategies’ (Lynch, 1999:2).

The liberal approaches toward globalization and TNMCs share an argument that there is a causal linkage between a free media market and pluralization and democracy. A free press is regarded as a midwife of democratization and modernity. Accordingly, some of its essential components are freedom of expression, freedom of association, and freedom of assembly (Thompson, 1995). It is completely impossible to develop a democratic government without the support of free and independent media. The significance of penetration of TNMCs and international information is not only just a big phenomenon, but more importantly, a global one (Senft, 2000). To various degrees, TNMCs, who own the advanced communication technologies, became a powerful democratic instrument in the liberal wave of the 1990s. They supported the democratic campaigns like that of ETAN (East Timor Action Network) over human rights abuses in East Timor in the 1990s; they enhanced the interaction between Chinese student exiles from the Tiananmen Square Incident since the spring of 1989; they also helped students and citizens in protests against attempts by the socialist regime to hijack the local elections in Belgrade in 1996 (Walch, 1999). As western media penetrated into the East European media (Sparks, 1992), freer flows of information produced ‘a liberal path’ during the collapse of Eastern Europe and the Soviet Union (Chan, 2002). In China, Joseph Man Chan conducted a comparative study on satellite broadcasting and an audience effect study on cross-border content between Hong Kong and Guangzhou,



arguing that the audience may change their beliefs, values, expectations, norms and life style after continuously viewing the TNMCs' programmes (Chan, 1997:94-105). Although Chan pays much more attention to the process of the influences, rather than their result, his study is valuable in providing analysis of the influences of media globalization. Consequently, the TNMCs offer Chinese audiences more resources for constructing arguments and identities (McCormick and Liu, 2003:139). They may empower the citizens to recreate the world in the image of a global village. From this visualized world, audiences know more about what is happening everywhere with news around the globe. The TNMCs feed the citizens with diversity of information, grounding a solid base for establishing mutual understanding and social consciousness. In this sense, although Habermas' version of the public sphere has some limitation because of its male-centrism, Euro-centrism, and bourgeois-centrism, it does provide supportive evidence for the free flow of information to promote democracy against opposition to the Chinese authoritarian regime (Lynch, 1999: Chap.1). I will further discuss this issue in Chapter Six.

Third, the liberal perspective values the contribution made by individual nation-states in pulling down their trade barriers on media products. It recommends that government should remove barriers such as high protective tariffs or product quotas on media products. It also suggests that media policies should be liberalized and deregulated so as to give way to 'free flow of information' (Thussu, 2000: 55-56). A key issue is that 'transnational media firms and advertisers can be permitted to operate globally, with minimal governmental intervention.' (Herman and McChesney, 1997:17) Government efforts to regulate the operations of TNMCs are strongly discouraged. Some authors



argue that government attempts to control TNMCs may do more harm than good (Warren, 1980). A free society should enable audiences to know and choose what they want to read, watch, and listen to. Media practitioners should provide audiences with what they want. The government should defer to the media practitioners' ability to determine the wants of their audiences under the normal mechanisms of the marketplace. In the fully re-regulated marketplace, the highest bidder would make the best and most efficient use of resources.

The strengths of the liberal perspective are discussed so far, but it does also have its weaknesses. Firstly, the positive argument advocating the 'liberal path' and 'free flow of information' ignores the domestic resistance from media governance by the CCP or other administrative institutions. Although there are some limitations in framing the issue of media governance (e.g. neglecting transnational satellite broadcasting), Junhao Hong warns that internal factors, such as governmental policies, are often more decisive in the internationalization process of the Chinese television than external factors, such as the advantages of foreign programming (Hong, 1998:78-100). For instance, the local network has the right to censor and even block sensitive information during the transmission of Chinese-language satellite channels provided by Time Warner and News Corp.'s Star TV in southern China (Zeng Huaguo, 2004: 225). Therefore, to assess the influence of media globalization on China, it needs examining the paths where the domestic resistance has taken place.

Second, the freer flow of information in China cannot follow Habermas's normative tradition that views civil society and the associated idea of public sphere activity as mechanisms that enable forms of public debate. Such mechanisms in turn

affect the formulation of policy. Daniel Lynch provides an important case to challenge the notion that freer flows of information inevitably produce a genuine 'civil society'. He demonstrates that at least in the Chinese case, the results are characterized by social fragmentation, chaos, and cacophony (Lynch, 1999:5). There is another argument against the normative tradition. Michael Keane argues that it is true that citizens in liberal democracies seek to influence the formulation of policy by the force of ideas, by interest group activities and ultimately through the ballot box, but till now it has not taken place in China (Kean, 2001). Then, Chinese civil society might succeed as a descriptive device to indicate an increasing separation of government and society. But, the argument that social groups have significant influence on the cultural and media policy-making is 'a case of misplaced optimism about the nature of social change.' (Kean, 2001:783)

Third, it neglects the motivations behind the global expansion of TNMCs, thus takes for granted ideological conflicts between TNMCs and Chinese media politics. This study assumes that like other commercial entities, TNMCs are primarily geared towards maximizing profits and satisfying shareholders. For this purpose, TNMCs pursue economies of scale and scope, taking full advantage of market expansion. They seldom cover the relevant issues or content for the poor and other disadvantaged groups. Instead, they often expose injustice and wrong-doing in the most powerful elite groups in society, acting as 'not simply lap dogs of the rich and powerful.' (Demers, 2001: xxiii) Therefore, although there are unavoidable ideological differences between the Chinese government and the TNMCs, global capitalism and 'socialism with Chinese characteristics' may also reach compromise. The TNMCs would not like to challenge the ideology of the state (Lee, 2003:24). The co-existence of ideological cross-promotion between capitalist and



Chinese socialist media, by contrast, may further embrace market ideology and consumerism.

Fourth, the liberal perspective fails to give enough consideration to the linkage between freer information and social changes. It is true that the diversity of information would provide more opportunities for the citizens to be aware of their own rights. This evaluation has general support theoretically, but lacks empirical and systematic evidence in details, particularly in individual nation-states. The presence of information diversity does not subsequently lead to social pluralization and democracy. It needs more institutional arrangements either from the government or non-government organizations to act as an agent to bargain for citizens' rights in the policy-making and governing process.

#### **4. THE CHINESE NATIONALIST PERSPECTIVE**

The Chinese nationalist perspective on globalization and media governance in China mainly concentrates on issues of cultural identity and security in the era of globalization when TNMCs appeared in China. The notion of nationalism is an ideology grounded upon the proposition that nations should be sovereign in their own states (Sparks, 1994:5-6). The nationalists argue that Chinese media governance should not separate itself from culture and identity. It can be exemplified when the authorities decide on concrete issues such as the importation of cultural products and the presence of TNMCs. This perspective includes several varieties.

From the 1980s, there has been a cultural resistance to the presence of TNMCs via



programme imports and direct satellite broadcasting in the Chinese media market. In focusing on the cultural implication of foreign media and the survival of 'Chinese culture', the cultural perspective consists of two aspects. On the one hand, the anti-TNMCs aspect employs the idea of cultural homogenization resulting from the extensive penetration by Western media content in the forms of advertising, film, and television programming and so on. Although Chinese authors seldom develop the framework of dependency theory and cultural imperialism, largely seen in Western writings (Schiller, 1969/1992; Wells, 1972; Varis, 1974), they view the presence of TNMCs as 'cultural invasion' and 'cultural imperialism' (Lu Di, 2002; Liu Kang, 2002). The existence of TNMCs since the 1980s has even been compared to the invaders in the 'Opium War' one and a half centuries ago (Lu Di, 2002: 217-228). Such comparisons have some arguments in common with the essence of the neo-Marxist political communication framework. They agree with McChesney's eloquent argument that 'the rise of a global commercial media system is closely linked to the rise of a significantly more integrated "neoliberal" global capitalist economic system.' (McChesney, 1999: 78) For instance, Li Bin argues that the presence of TNMCs is more than an economic matter and there are clear implications for media content, politics, and culture (2002: 1-30). His view is that along with the support of their home governments, TNMCs, mostly headquartered in the developed capitalist countries, exercise control over the developing countries by setting the terms for global trade-dominating markets, capital investment, technology, resources, production, and labour. By selling the Western lifestyle, the TNMCs create a desire on the part of consumers to emulate Western culture (Lu Di, 2002: 217-228). Consequently, developing countries such as China have to increase the

importing of Western commodities, as well as the dependency on developed countries (Varis, 1974: 102-109; Cardoso and Faletto, 1979; Salinas and Paldan, 1979:82-97; Oliveira, 1991: 200-201; Wells, 1972). In this sense, the anti-TNMC perspective shares with western scholars the notion of cultural imperialism. For ideological as well as economic objectives, the cultural and media imperialism thesis contends that western governments impose pressures on foreign governments and international institutions to disseminate western media products and promote their way of life. Herbert Schiller argues that the global power structures in international communication industries and the links between transnational business and the dominant states determine the hegemony of US-based TNMCs in the global media market (Schiller, 1969/1992). Like Schiller, Oliver Boyd-Darrett identifies 'media imperialism' so as to examine information and media inequalities between nations/states and the reflection of broader issues of dependency, and to analyze the hegemonic power of US-dominated international media. TNMCs become a path which 'encompasses business norms and political and cultural values, as well as consumption of US consumer goods.' (Boyd-Darrett, cited by Hoskins, *et al*, 1997: 46) Similarly, the Chinese anti-TNMCs perspective argues that the capitalist system is so strong that all Chinese walls would be battered down. The Chinese media are too weak to compete with the TNMCs. They suggest that China should adjust its policies in order to protect its domestic media industry and to limit TNMCs in the Chinese media market (Lu Di, 2002:217-228).

On the other hand, the pro-TNMC aspect is optimistic about media globalization and cultural integration. Leaving aside the notion of 'cultural imperialism', this perspective accepts the marketised and commercial logic in cultural and media industries. It argues



that the creativity and marketing skills learnt from TNMCs may generate more opportunities for the Chinese media in the marketplace (Yu Min, 2001; Shao and Yan, 2003). The success of feature films *Mobile (shouji)*, *Hero (yingsong)*, *Flying Daggers (shimian maifu)* strongly support the argument that integrating in the global marketplace may strengthen Chinese media industries. In turn, Chinese culture may occupy more places globally (Chan Taowen, 2002: 89-107; Yin Hong, 2003: 189-200; Yin Hong, 2001: 15-19; Yin Xiaorong, 2004:38-42). This perspective assumes that the customer would benefit from a competitive media market. As a developing country, China may learn a lot from TNMCs in terms of content quality, branding strategy, distribution, production creativeness, and so on. Therefore, the priority of Chinese media industries is to break the regional monopoly, remove industrial protection, and concentrate media strength among different institutions and platforms. In order to establish cross-media, cross-regional, cross-industrial media conglomerates, the regulatory bodies should allow the domestic mass media to compete, merge and consolidate with each other in the marketplace (Tang and Peng, 2001:50-56).

From an industry perspective, the TNMCs stimulate a sense of the 'Chinese media under siege' (Tong Bing, 2003:23; Dai Yuanguang, 2003; Zhang Fengzhi, 2001). This analysis concentrates on the conflicts between TNMCs and the Chinese media. Regarded as a strong intruder, a TNMC is described as a 'wolf', which seeks profitable markets and defeats the Chinese media. Subsequently, it focuses on such paradigms as the connections between the Chinese national media and the international counterparts, the effective acceptance of international capital, management, production and marketing skills within the Chinese media industry, and increasing promotion of Chinese media in



the global media marketplace. Moreover, the presence of TNMCs has also preceded other reforms such as 'Keep the Big and Let Go the Small' (*zhuada fangxiao*) in late 1997. The government allows small and medium-size state-owned enterprises to change ownership, effectively approving large-scale privatization. With this transformation, privatization is necessary, so that Chinese 'national industry' (*minzu chanye*) can be revitalised and strengthened to meet global competition. To some degree, this perspective has gone beyond the media economy and shaped ideological transformation. It has replaced the previous socialist perspective and 'so far has shielded the Chinese leadership from accusations that it has sold out socialism.' (Gallagher, 2002: 361) Responding to this emphasis, the policy preference is to re-concentrate, consolidate and capitalize the Chinese media against foreign intruders.

In short, these arguments are based on assumptions that the worldwide operations of the TNMCs may undermine Chinese political ideology, economic development, or cultural traditions. However, we should be more concerned about the motivations of TNMCs in the Chinese media market. First, TNMCs are profit-oriented. Their huge market power enables TNMCs to crush competition and control the targeting markets. They are less responsive to the social and moral concerns of the community. Second, TNMCs practice systematic discrimination against the poor (as well as poor countries), women, minorities, and so on (McChesney, 1999: chap.1). Such discrimination implies that the poor cannot access as much information as the rich. Third, TNMCs may undermine indigenous cultures, especially those not founded on capitalism, and prompt media imperialism, mainly US cultural imperialism (Yang Ruiming, 2003). Accordingly, government intervention against the TNMCs may legitimately be justified through the

external benefits rationale of the mass media, and this intervention may protect indigenous cultures when citizens are exposed to indigenous programming (Hoskins *et al*, 1997: 85; McGuigan, 2004).

The nationalist perspective has its strengths. First, it provides a clear picture of the institutional influences of TNMCs. Since the relevant system of power is the post-Second World War Pax Americana – the world capitalist system dominated both politically and economically by the United States (Cox, 1987), this perspective argues that TNMCs play a ‘hegemonic’ role in media globalization. That is to say, they contribute to the maintenance of consent for a system of power. Gramscian ‘hegemony’, unlike the ideas of Lenin, suggests that the dominant class in society gains its position by consent as well as coercion (Gramsci, 1972: notebooks 24 and 26). Robert Cox’s ideas, which extend and develop Gramscian hegemony, assume that inter-nation relations are inherently conflictual. They may associate a stable world order with the hegemonic dominance of one or more nation-states (Cox, 1987). With the position of hegemony, the dominant social group such as TNMCs in a society has the capacity to exercise intellectual and moral supremacy over society at large and to build a new system of social alliances to support its tasks. The concept could go beyond both the liberal idea of consent as ‘consensus’ and the historical materialism notion of consent as ‘false consciousness’. Transnational media competition, therefore, becomes a battlefield between nation-states. If so, the cultural and media industries may be regarded as vehicles to show Chinese national economic and cultural strengths on the domestic and global playgrounds.

Second, this perspective directly indicates several policy implications. It argues that China should assert its right to restrict trade in the cultural area by quotas, taxes, or



tariffs in order to protect and promote its own creativeness within its media industries. When it comes to international trade agreements, there should be a 'cultural exception' within the larger trade regime, as Canada achieved under the FTA and NAFTA (Colin *et al*, 1997). If possible, China may delink from the worldwide media market (Amin, 1990; 1997). In order to avoid dependency on other countries, a policy choice of Chinese media regulators could bar media trade or exchange with other countries on the one hand and promote self-reliance on the other.

Third, this perspective regards a range of media practitioners as active agents against TNMCs. These practitioners include policy-makers, domestic media units, and local government. Therefore, it clearly indicates the actors for research on China's media governance.

The nationalist framework is a systematic but only moderately plausible way of examining media globalization and its impact on China's media governance. The literature in this field shares some common weaknesses, which will be filled in this research.

Methodologically, most of their publications rely on selective anecdotes to draw conclusions. They seldom follow any social science or humanistic approaches to collecting systematic data for substantiation. For instance, the School of Journalism and Communication in Qinghua University polled a group of New Left authors, including Li Xiguang, Yin Hong, Lu Di, and so on. Most of their publications lack clarification about data collection and references (for instance, Yin Hong, 2001; 2003; Lu Di, 2002; Li Xiguang, 2002). They did not display any methodological rigour. Based on blurred and implausible data, therefore, their arguments are inevitably unconvincing.



Theoretically, they equate the penetration of TNMCs in China with cultural homogenization and the erosion of native culture, presupposing a problematic dichotomy between the international and the national. Some of them employ a static analytical framework to analyse external forces like TNMCs, regarding a nation-state as the only decisive role in the cultural and media domain. However, the view of the nation as one cultural entity is changing. Few nations are ethnically homogeneous. Instead, many of them, for instance, China, have multiple cultural unities. While analysing the state's role in this issue, they ironically ignore the power of national gate-keeping policies. In practice, the media authorities could play an important role in determining the extent to which foreign players could penetrate a given market (Chadha and Kavoori, 2002). The regional study by John A. Lent in the Commonwealth Caribbean undermines the link between dependency theory and media imperialism (Lent, 1971). Chadha and Kavoori argue that the national gate-keeping policies such as Six-Nos in China and strict regulations in India and Indonesia have a strong effect in protecting their national media industries (Chadha and Kavoori, 2002). Moreover, the nationalist perspective simply regards the presence of TNMCs as a causal consequence of social change. Evidence demonstrates that local shows are much more popular than imports because of the 'cultural discount' (Hoskins, *et al.*, 1988; 1996; 1997). Such audience preference also appears in Asia (Chadha and Kavoori, 2002). In brief, the Chinese nationalist perspective has taken the nation out of context, abstracting it from the concrete social and historical conditions, which are the political struggle and commitments of the Chinese political climate in the 1990s.

Analytically, the writings of a few nationalist publications are subjective and full of

'hatred, xenophobia and nationalistic jingoism' (Huang and Lee, 2003:52). These writings contain some exaggeration, factual errors and misleading information. Take Li Xiguang and Liu Kang for example. The former is a professor at Qinghua University in China and the latter is a researcher in the USA. Their popular publication, *Behind the Demonisation of China (Yaomohua zhongguo de beihou, 1996)*, is written in a combination of semi-academic and journalistic prose. Some scholars criticize the 'demonisation' volume as having been translated into English 'not for its academic value but as a barometer of the depth of anti-American feeling.' (Huang and Lee, 2003:49)

## 5 THE TRANSNATIONAL AND TRANSCULTURAL POLITICAL ECONOMIC PERSPECTIVE

The perspective of transnational and transcultural political economy argues that along with market logic, since the late 1970s, the Chinese media system has apparently been reorganised for the sake of integrating into a global communication systems (Zhao, 2003:61). In this sense, Chinese media transformation, and even Chinese reform, is part of a global expansion of media capitalism. For China, globalization 'has constituted new global structures and systems in political, economic, social, and cultural spheres.' (Liu, 2004:5) Media flows are regional as much as global. Consequently, it challenges the essentialism of Chinese media politics and of audience choices.

Based on Marx's 'base-superstructure' framework, this perspective argues that with the fading of communist characteristics, the Chinese communication system has become an integral part of the global capitalist communication system. TNMCs, with



their substantial capital accumulation, actually integrate themselves with the state capital of the Chinese Communist Party, for the sake of expanding the market and pursuing profit (Zhao, 2003). The shift of Party sentiment toward sensitive cultural industries in the early 2000s is an institutional attempt to stimulate a new site of economic growth and to consolidate the Party's mouthpiece. There are no obvious differences between the TNMCs and the Chinese media authorities. Both of them attempt to enhance a cohesive hegemonic dominance. Therefore, the Chinese capitalist media system determines that it could not provide the diversity of information that the citizens want.

This perspective puts the global neo-liberal logic of commercialization, liberation, and privatization into a concrete historical context. Therefore, it becomes easier to clarify the special roles that the TNMCs play in China's social transformation (Meng Jian, 2003: 223-232; Yang Ruiming, 2003). Junhao Hong provides profound research on programmes imported onto Chinese television (1998). With a set of systematic and historic data about the import of TV programmes since the foundation of the PRC, particularly since the 1980s, Hong suggests that the internationalization of television in China has resulted from both external and internal factors. He maintains that the newly adopted policies have decisively contributed to media changes towards openness. There are a number of contradictions and dilemmas in Chinese media and cultural reform and openness (Zhang Xiaoming, 2003). The most explicit of these is the unchanged media nature amidst rapidly changing domestic and international environments.

Within this perspective of transnational and transcultural political economy, some authors like Yuezhi Zhao regard the class struggle as a strong element pushing media transformation. According to Zhao, ideological struggles between reformists and leftists



have taken place several times since the 1980s. The resurgence of nationalist and anti-imperialist sentiments has prompted waves of anti-spiritual pollution, anti-bourgeois liberalization, and anti-‘peaceful evolution’. This tension also existed in the vertical and horizontal restructurings of media bureaucratic integration. With such conflicts in mind, domestic forces have steered in the direction of media transformation. Moreover, Yuezhi Zhao views the co-existence of capitalist TNMCs and the socialist party mouthpiece as an integration between the global capitalist system and the Chinese communist capitalist system. Therefore, the re-organization of the Chinese media industries and the presence of TNMCs in China has not automatically led to free expression. Dominant media outlets cater for the urban-based middle class, transnational businessmen, and domestic political and economic elites and they marginalize the rural population, the urban worker, and the unemployed. (Zhao, 2003a: 53-74; 2003b: 32-56). On the one hand, the media authorities may adjust institutional arrangements to mediate the distribution of media production. On the other hand, TNMCs may compromise with the authoritarian government by providing self-censored content bearing their brands. Thus, ‘mass provision of communications infrastructure is not necessarily a catalyst for democratic evolution.’(Atkins, 2003: 484)

This perspective has its strengths in analysing China's media governance in the course of globalization. Firstly, it provides a systematic historical understanding of Chinese media governance by inter-disciplinary analysis. With historical analysis, Hong provides a holistic picture of Chinese media policy, including the general political guidance of the CCP, the concrete regulation of the government, and the self-defined specific policies of the media institutions (Hong, 1998:8). Acknowledging the structure of mass media and political communication systems, literature on the transnational and

transcultural political economic perspective helps us understand the profound changes that happened in Chinese economic and political reforms. Secondly, it clarifies the structural process of media policy-making by examining the factors relevant to the new economic, political, and social circumstances, though it fails to examine the interactions among the regulators, domestic media and foreign media. It assesses the weight of power holders – the media authorities and the TNMCs - and makes it easy to evaluate the roles they play during the process of media governance (Zhao, 2003a). Third, this approach contains a state-centrist inclination. It puts the state in the centre of media politics. Although it regards the major causes for globalization of mass media as external factors and views national policies and regulations as internal factors, it argues that internal factors are more important than external ones. As it tries to pay equal attention to both factors, it concentrates on changes in policies, motivations for policy change, and the implications and consequences of these changes in domestic terms. In other words, in a centralized communication system like China, decisive factors at the national level are internal ones (Hong, 1998:136; Chan, 1994a: 84). The clearly identified factors have affected the regulatory principles and media policies underpinning the broad, rich media canvas in China.

Although the transnational and transcultural political economic perspective has some strengths, it also has weaknesses.

Firstly, under its framework, there is no established connection between media importation and changing media structures. In other words, the relationship between the input of the politics and its output has not been convincingly identified. Some scholars provide descriptive statistical analysis of the imported television dramas, series, serials



and teleplays (Hong, 1998). However, the analysis only has a small amount of meaning in terms of understanding changes in television import. It does not help to demonstrate the quality of media changes.

Secondly, from a methodological point of view, the argument that the combination between the global and Chinese party capitalism cannot result in liberal change only seems to be valid for China. Or rather, it is unconvincing because it lacks corroborative evidence, such as comparison, content analysis, or media effect studies, and so on. If there is no adequate observation of the relationship between media programmes and their employers and audiences, the conclusions may only be plausible. It is true that information-sensitive states like China have developed strategies to mediate the distribution of mass media. This is done through the government's partnership with compliant local entrepreneurs and TNMCs, which may also benefit from controversial customer relationships. A number of the Party's ideological concepts may be reconstructed, and a few news policies may be erected and implemented. However, they neglect the indirect implications of the 'uncontroversial media products', which are acceptable for the party, for media institutional norms and their audiences. For instance, although the entertainment programmes, the import of media formats and the diversity of information are related to soft content, they have the potential to influence the Chinese media sphere if we put them into a larger historical context. In any study of media politics, the most important thing is to identify the implications of imported media programmes for the regulators, programmes providers, domestic media, and media audiences, not just the presence of TNMCs and their programmes. In other words, the responses by media practitioners and the reflection from media policies should be examined if we wish to



understand media politics.

Thirdly, the unconvincing argument that TNMCs do not create any liberal awareness is mainly based on the assumption that media ownership would determine media content. It is true that the owners of mass media may impose heavy pressure to influence the editorials of their media outlets. However, the separation between media ownership holders and professional managerial boards weakens this direct causality (Gershon, 1997). There is little evidence to disprove the argument that the authoritarian governments have less capacity to control the information flow.

Overall, the transnational and transcultural political economic perspective tends to oversimplify the complicated process of the transformation and globalization of the Chinese mass media. Of course, policy back-flips and ambiguous guidelines can be explicitly interpreted by the transitional nature of society, from plan to market economy, from national to transnational community, and from isolated culture to transculture. Broadly, this perspective seems to be stretched to explain everything. For instance, 'irregularities' in policy paralysis, crackdown on content, neglect of copyright law and widespread competition within media regulatory bureaux may be attributed to the unsteadiness of the bridge that spans the 'trans-' chasm (Donald and Keans, 2002:12). However, this perspective would not explain the contradiction and paradox of China's media politics. To fill this gap, there is a need to explore the institutional arrangements of media governance, focusing on interactions among the regulators, domestic media and foreign media.

## 6 AN ALTERNATIVE: THE INSTITUTIONAL PERSPECTIVE

Hitherto, the current literature on TNMCs and media globalization in China has been discussed and has been seen to provide various theoretical frameworks for examining China's media governance under globalization. However, none of these approaches seems to offer a completely satisfactory analytical framework to assess the impact of globalization and the importance of TNMCs in China. This research attempts to fill several gaps in the literature which have been discussed in previous sections. These attempts will become clearer in the course of the remaining chapters, in which different aspects of the interactions between different media actors will be discussed in more detail. To summarise, each of the approaches discussed so far is partial, in that it emphasizes, at one level of analysis, that TNMCs are either good or bad for host countries except for media-rich countries led by the U.S. None of these approaches is able to successfully integrate the spheres of media performance and social changes in China. Secondly, these approaches fail to integrate the analysis of TNMCs as institutions within a broader analysis of China's media politics. Thirdly, their tendency is to reduce the contradictory reality to one or other side of a false dichotomy. TNMCs are regarded as either competitive or monopolistic. In China, they either contribute to social development, or increase dependence. TNMC-state relations are either harmonious or contradictory, and the developing countries are either 'nationalist' or 'comprador'. Fourthly, both of these approaches regard the audience as passive receivers and the nation-states as weakened by the process of integration with globalization. Employing a new approach, this study attempts to absorb the strengths of these approaches and overcome their weaknesses,



which have been discussed in the previous sections.

As an alternative, inspired by Hancher and Moran's notion of 'regulatory place' (Hancher and Moran, 1998: 148-71), this study applies an institutional foundation framework to this research. It reflects various levels of Chinese legal culture, which determine the outcomes of cultural and media policy. As Hancher and Moran argue, 'the purpose and character of economic regulation is in part a function of the nature of the surrounding legal culture.' (Hancher and Moran, 1998:149) The cultural and media policy is influenced by institutionalised factions within China's bureaucracy, which often relate to bureaucratic and private interests. The term 'institution', according to Douglass North, is employed to refer to the 'rules of the game' in society, including current law and jurisprudence, accepted habits, and formal and informal codes of conduct (North, 1990). One of the purposes of an institution is to contribute a solution to the incentive problem. Rational individual actors could behave in ways that minimize losses or maximize profits. If there is no institution, individuals may have little incentive to cooperate with each other, and they may at times face a prisoner's dilemma. The guidance is provided by institutions for actors to coordinate help to reduce uncertainty and create order in human interactions. Rules are of primary importance for institutions to function effectively (Coase, 1937: 386-405). Rules should have three characteristics to ensure an institution works well. Firstly, a rule must be recognizable, clear, general, and non-contingent. In other words, rules must be unambiguous in 'specifying the costs and benefits of choice made by all members of the relevant group in all relevant situations' (Wang, 2002:137). Secondly, rules must be obeyed by all parties. Thirdly, rules must be enforced in order to ensure compliance. The enforcement power is critical in any institutional design. If these three



basic characteristics cannot be monitored, it may lead to opportunism. Following this, actors in defective institutions may enjoy discretionary power to make their own choices.

The institutionalization of media governance builds up solid ground for observing media transformation in transitional countries. By analyzing the performance of mass media in the former Soviet Union, Katrin Voltmer suggests that as the function of mass media shifted from 'a collective propagandist and collective agitator' and 'a collective organizer' in the revolutionary process to 'a provider of information' after the collapse of Communism, media transformation from the 'totalitarian' to the 'libertarian' model requires an institutional reorganization of the mass media, as well as an adoption of new journalistic practices in political reporting (Voltmer, 2002:469-501). A similar theme is set out by Colin Sparks as he examines four post-communist countries, Poland, Hungary, the Czech Republic, and Slovakia. He notes that 'those theories which best explain change in the media systems of formerly communist countries are those which stress the elements of social continuity in the ruling class and its institutions.' (Sparks, 1997:114) Fearing potential loss of political power, the CCP leadership has manifestly expressed hostility toward the concept of press freedom. The ruling CCP may also seek to block broader social ideas from market entry, though doing so is very difficult. Domestic institutions also have their responses to change. The design of these reforms may make the authoritarian system work more effectively in new circumstances under globalization.

With the institutional foundation framework, it may be easier to comprehend the directions of media policy-making towards TNMCs by investigating the Chinese regulatory players, the regulatory institutions, and their connections with bureaucratic and private interests. The Chinese legal system is transformed from a 'command and control'

mode to a self-regulation mode, which is 'a combination of cultural factors and legal factors determining the efficacy of regulation' (Keane, 2002:179).

This institutional perspective is also rooted in the methods applied to studying governance. Rhodes (1997:64) suggests that with its focus on rules, procedures and the formal organization of government, the study of political institutions 'is central to the identity of the discipline of political science.' The classic institutional method is descriptive-inductive; formal-legal; and, historical comparative. The descriptive-inductive approach employs historical techniques and explores specific events, eras, people and institutions, because political institutions grow by slow accretions and exist without conscious design. Induction implies the belief drawn from repeated observations. The great virtue of institutions is that they are concrete and they can 'be pointed to, observed, touched... be examined for their operations... what could be more logical, more natural, than to turn to the *concreteness* of institutions, the facts of their existence, the character of their *actions* and the *exercise* of their power.' (Landau, cited by Rhodes, 1997:65)

In the context of China's politics, Shiping Zheng (1997) provides a pioneering study on the institutional dilemma between the CCP and the state, exploring the institutional challenges China faces. Applying an institutional approach to Chinese state-building, Zheng recognises the significance of distinguishing Party from state. It is undoubtedly different from the pervasive party-state conception, which is influenced by the 'totalitarian' model (Huntington, 1968: 5, 91). He argues, 'the state is a set of sovereign, differentiated, and autonomous institutions and those officials who run these institutions.' (Zheng, 1997:14) The different organizational logics, tasks, and attempts at

institution building inevitably generate contradictions and tensions between Party and state. Because the CCP has contributed little to institutional development in China, 'the Chinese state institutions can hardly function independently of the Party organization.' (Zheng, 1997:5) This is applicable to the study of China's media governance. What Shiping Zheng fails to answer is why the CCP can still continue to exist in its dominant position when China has promoted economic reforms and open-door policies since 1979.

With the historical-empirical approach, Hu Angang argues, the CCP consolidated its power with an institutionalised process. The Eighth Conference of CCP's Central Committee in 1956 produced a framework for the CCP's institutionalization on leadership succession (Deng Xiaoping, 1994: 212-256), but its implementation was delayed by the Cultural Revolution. In the 1980s, Deng Xiaoping reset a reform-agenda on the institutionalization of the leadership succession (Deng Xiaoping, 1994: 212-256). From 1989 to 2002, China successfully passed on leadership succession from Deng Xiaoping, the second leadership generation, to Jiang Zemin, the third leadership generation, and Hu Jintao, the fourth. From the Sixteenth National Conference of the CCP, China's leadership succession becomes institutionalization (*zhiduhua*), normalization (*guifanhua*), and proceduralization (*chengxuhua*). Hu Angang categorises three characteristics of these evolutions. Firstly, the retirement age and the executive period have been strictly set. Secondly, the new leadership generation has become younger, ending 'old-man politics'. Thirdly, the educational background has become more diverse and 3 out of 24 CCP's Politburo members have been educated overseas (Hu Angang, 2004:69). Though it is not a large number, it has never happened in the history of the CCP.



As Hu argues, the stability of China's politics depends on the stability of CCP's leadership. If the succession of CCP leadership is transparent, rational and predictable, the Chinese social order could be stable. To maintain this stability, the most important thing for Chinese leaders is to create some new institutions. The transformative role from a revolutionary party to an executive party offers the CCP the capacity to dominate in China. The maintenance of sustaining economic development also provides strong support for CCP dominance. The purpose of economic reform is to build an institutional capacity for new economic openings (Zhu, 2003:142-160). In a word, the CCP's capacity in ruling China may result from its institutionalization, normalization and proceduralization (Zhu, 2003:79; Lin, 2004: 255-275).

During the process of institution building, the institutionalization of information flow is one of the key tasks of the state. The core values of the state could not emerge without a common consensus, and there is a need to promote the state as an entity among the populace. The increase in the average level of education corresponded to a greater level of awareness of political and social responsibility among citizens, which manifested itself in a greater desire to participate in social and political activities, and to express their own will and opinions. It became apparent that the government should, in response to this, build up some institutionalised channels to satisfy citizens' demands. Otherwise, this might result in disaffection with the existing political institutions leading citizens to express their frustration by violent means (Zhao Zhengyu, 2003:21-28; Hu Angang, 2003:11).

Although there are certain differences between Zheng and Hu, they have one standpoint in common, which is that they both assert the institutional transformation that

is taking place, in China today, is mainly driven by internal forces already apparent within China. However, after twenty years of open-door policies, it may be that there are external forces which also have an influence on China's reforms. One of the main research targets of this study is to investigate this further and to find out more about the role that external factors play in political and social reform, which takes place in the minds of people in contemporary Mainland Chinese society.

In the media sector, due to complicated correlations with institutions, to understand Chinese culture and media industry, one should explore its governing structure and system (Hu Huiling, 2003:21-39). If China's media develop their role of watchdog, the state must provide institutionalized protection for the media practitioners (Tong Bing, 2003:13-20; Zhao Zhengyu, 2003:21-28). In China, media practitioners, including the TNMCs, have close connections with officials, bureaucrats and censors at the different levels of media bureaus. There are two regulatory systems in China. In the state system, under the State Council, there are the Ministry of Culture, Xinhua News Agency, and the State Administration of Radio Film and Television (SARFT), the State Administration of Press and Publication (SAPP), the State Information Office, and the Ministry of Information. The key representatives of these institutions consist of a Leadership Group attached to the State Council to resolve administrative issues, and another Group attached to the CCP's Central Propaganda Department (CPD) to monitor ideological issues. Each of these institutions has provincial and local branches. Parallel to the state system are the Party organizations, headed by the CPD of the Central Party Committee (CPC). The CPD has sections at all levels of administration, which all media must take into account. Overall, the Party's propaganda system is headed by the

information and cultural network, which is the most powerful decision-making body in China. The CCP propaganda departments at different levels deal with policy matters, in accordance with the Party Principle. They require that all news media must adhere ideologically to the party line, propagate the party message, and comply with its policies. This is quite unlike Western democratic countries, in which policy is formulated as precise and specific rules and legal regulations, China's policy is produced in the form of documentation, such as written reports or leaders' oral speeches, which are often imprecise and vague, and may not be revealed to ordinary people. In such a regulatory regime, the regulatory institutions, together with their connections with the private interests, can determine the directions of media policy-making. In other words, the logic of the existing institutions is very important for understanding the outcomes of media policy-making.

In general, the institutional characteristics provide a roadmap for interpreting the impact of globalization and TNMCs on China's media governance.

At the international level, since the open-door reform policy in the late 1970s, China has joined most of the important international organizations, which play significant roles in on-going globalization. When China began embracing the global economy, particularly after it gained membership of the WTO, we could assume that it had to accept the rules of these global institutions and transnational organizations. Its governance, especially in the economic administrative aspects, adopted these rules dramatically in order to comply with the international standards. Such administrative institutional transformation will be discussed in Chapter Three. In terms of the institutional power, China's media governance may be adjusted in terms of regulations in



the context of market conduct, structure, and performance. It will be discussed in Chapter Four.

At the national level, increasing numbers of institutions have been established for the sake of effective administration. Although the CCP is dominant in China's politics and other groups are subordinate, its media governance is increasingly driven by professional, rather than factional considerations, promoted by political elites. Besides the Department of Propaganda of the CCP, the Ministry of Telecommunications, the State Administration of Broadcasting, Film and Television and the State Administration of Press and Publishing, which are affiliated with State Council, have been established and empowered in terms of administration. It is true that the CCP has hegemonic power over Chinese social interest groups in media transformation. However, as the market-oriented economy grows, social interest groups gradually enhance their negotiating power. Chapter Three will further address this institutional issue.

At a local level, there are institutional changes of media conduct, structure, and performance. Following considerable social changes which resulted from open-door policies and economic liberalization, an obvious tendency in media governance is the increase of differentiation and functional specialization of institutions. These academic and managerial institutions are empowered in the course of media deregulation and re-regulation, de-monopolization, and de-propagandization. Every aspect of this will be examined in greater detail in Chapters Four, Five and Six.

## 7 CONCLUSION

This literature review has sought to review why globalization and TNMCs matter in China's media governance. A research gap was located, in that after having reviewed several approaches to Chinese media politics, TNMCs were seen as power brokers engaged in China's media politics and economy. The Chinese government has been concerned about the liberal diversity viewpoint, as spread by the TNMCs. Meanwhile, it has been keen to harness the TNMCs' global networks, so as to diffuse the new voices of China around the world. The co-existence of the TNMCs and the Party's media control is complex. This study attempts to fill the academic gap with an approach to institutionalization. The presence of TNMCs undoubtedly provides much diversity of information, as distinct from the official agents. This seems to be a win-win game. It is good for the people and national political development, but it is also good for the continuity of the ruling CCP in terms of information control. This study will argue that along with other institutional elements, this institutional arrangement determines the presence of TNMCs in the Chinese media market. In return, the increasing participation of TNMCs in the Chinese media market has produced a significant impact on the process of media governance. The adjustment of institutional governing bodies, deregulation and re-regulation of media industries, de-monopolization of media structure and de-propagandization of media culture result, both directly and indirectly, from the TNMCs and media globalization. These results are further discussed in Chapters Three, Four, Five and Six respectively.

## **CHAPTER THREE**

### **THE MEDIA INSTITUTIONAL TRANSFORMATION SINCE 1992**

#### **1 INTRODUCTION**

The impact of globalization and transnational media corporations (TNMCs) on China's media governance is profound. Following the great social changes, media governance has been driven toward differentiation and specialization of media institutions, deregulation and re-regulation of media policy, de-monopolization of media structure, and de-propagandization of media culture. The increase of bargaining within different parties, though still lacks stability, shows the model of media governance has transformed from a 'leader-determined' model to a model which is more institutionalised and predictable. As a starting point, this chapter will examine the great institutional restructuring in the media sector. As Chapter Two has reviewed, there is little literature focusing on Chinese media institutions, the foundation of media governance. In this chapter, the restructuring and transformation of media institutions is regarded as one of the consequences of the complex process of globalization and the activities of TNMCs. The main argument is that the forces from globalization have increasingly challenged the model of media control in China, driving forward a big transformation of the structure and performance of media administrative organizations. This institutional transformation, like that in other developing transitional regimes, is driven by internal and external factors. The capacity and control of conventional models of media governance have been seriously challenged and dramatically changed. In the following chapters, 'capacity' indicates the ability of an administrative unit to achieve its objective efficiently. 'Control'



refers to accountability to the regulatory authorities, most particularly to the CCP's Propaganda Department.

Since its increasing integration into global society, China developed media reforms in media governance towards a more institutionalised and stable pattern. Before examining the new model of media governance, we need to understand the traditional ones because they are 'the backdrop against which attempts at reform must be viewed.' (Peters, 1996: 2) In the Chinese context, a certain level of rationalization appeared in the 1980s, such as combating individualism, spiritual pollution and corruption, separating the party from the government, and promoting the role of legislators and intellectuals. Since the 1990s onwards, the once totalitarian party-state has retreated from many political, social and private spheres, allowing the economic and political foundations to support a possible political transition to an institutionalised framework. This happened after the successful leadership succession from Deng Xiaoping to Jiang Zemin in 1992, and then to Hu Jintao in 2003. It is the first time that the power of the ruling CCP passed from the revolutionary elders to a generation of younger technocrats without dramatic political fluctuation. It indicates that Chinese politics has become increasingly institutionalised in terms of power succession (Hu Angang, 2003, 2004). Since 2003, the powers of the party and the government have been regulated by a new law named 'Administration Law', which aims to avoid the misuse and abuse of public power, and to increase administrative transparency. Additionally, the protection of private property was finally enacted in the latest constitutional amendment in 2004. However, no matter who gains power in China, they need to legitimize their position by proving the congruity of their policies with Marxist-Leninist-Maoist ideology.

During the 1990s, one important function theorists performed was to decorate the system introduced from Western society with the name of ‘socialism’ and ‘Marxism’, so that it could be accepted and used by the authorities. The transformation of media governance institutions was also marked with ‘Chinese characteristics’ (Hu Huilin, 2003), which in fact contained the basis of Western concepts in the process of media institution rebuilding.

As a starting point, this chapter outlines the media administration framework within a comparative context. Then, it moves to four significant challenges to the conventional media governance model: commercialization, globalization, decentralization, and advanced technologies, respectively. All are directly and indirectly relevant to globalization and TNMCs. Thirdly, it compares the media guidelines of media governance under the CCP in a different historical context, to address the success and the failure of the CCP. Finally, it moves to interpret the transformation of media governing institutions during the period from 1992 to 2004.

## **2 MEDIA ADMINISTRATION IN CHINA**

### **2.1 The Framework of Media Governance**

Although the appearance of paper in China can be traced back thousands of years and it produced the first ‘newspaper’ in the world (Fang Hanqi, 1992: 63-64), modern Chinese media have been profoundly affected by foreign forces. The colonial media and the ideas of media professionalism cultivated the earliest modern Chinese media system and journalism in the nineteenth and twentieth centuries. After the CCP took power in

1949, the system governing the country's media was based on the Soviet model, in which the media were controlled by the party. When China promoted open-door policies, its media system also experienced a transformation. This was especially the case after 1992, as the media sector inevitably encountered some new challenges, such as the demands for divergent information from society and the pressures posed by foreign actors.

Essentially, media governance in China, like other administrations, is handicapped by 'Chinese characteristics', which implies that the country must have the following aspects: one-party rule; centralized power over the economy and society; and, a bureaucratic hierarchy. With these characteristics, China's media governance coincided with more flexibility of the central government in governing actions in different bureaus and provinces. In general, the party and the government delineate five basic administrative layers as the bedrock of the bureaucratic system, which are: the national (*quanguo*), or the Centre (*zhongyang*); provinces (*sheng*); counties (*xian*); cities (*shi*); and work unit (*danwei*). The party is the principal source of authority and the government is the agent. The government structures, in theory, have been subordinated to the ultimate authority of their party counterparts (Yang Fengchun, 2002; Lieberthal, 1995: 158-159). The ruling CCP appoints the top executive members of the power elite to major functional areas, each of which is referred to as a 'gateway' (*kou*) inside the party. The four broadest gateways are those for party affairs (*dangwu*), government work (*zhengwu*), state security (*guojia an'quan*), and foreign affairs (*waijiao shiwu*) (Lieberthal, 1995: 192). The party affairs gateway is typically the most important and powerful one, headed by the pre-eminent person among the executive members of the power elites such as Mao Zedong. The second gateway, which is responsible for government work, primarily



focuses on economic development. The state security gateway encompasses the military, the public security, and the state security (counter-espionage) apparatuses. Within this framework of gateways, there is a system of political organization operation, divided throughout society into functional spheres. There are seven systems (*xitong*). They are: 1) the military system; 2) the political and legal system; 3) the administrative system, 4) the propaganda system; 5) the unification system; 6) the mass organization system; 7) the organization and personnel system (Yang Fengchun, 2002; Yan Huai, 1995). Each of these systems is always headed by a member of the Politburo Standing Committee.

The propaganda system is in charge of news media. It consists of two intertwined subordinate systems. At the state level, media institutions comprise several distinct organizations. Under the State Council there are the Ministry of Culture, Xinhua News Agency, and the State Administration of Radio Film and Television (SARFT), the State Administration of Press and Publication (SAPP), the State Information Office, the Ministry of Information (MoI). Under the CCP, the *People's Daily* and *Qiu Shi (Seek Truth)* Magazine are also important media institutions. The key representatives of these institutions are included in a working group, which may be organized by two different administrative systems. The organizers of the State Council and the Central Propaganda Department (CPD) contribute solutions to administrative issues and ideological problems concerned in mass media, respectively (Interview 2).

Each of these institutions has provincial and local branches. Parallel to the state system, the Party organization is headed by the Central Propaganda Department (CPD) of the Central Party Committee (CPC). The CPD has sections at all levels of administration of which all media must take account. Overall, the Party's propaganda system is headed

by the information and cultural networks of institutions under the Standing Committee of the Politburo of the Central Committee of the CCP, the most powerful decision-making body in China. The CCP's propaganda departments at different levels are in charge of policy matters in accordance with the Party Principle (*dangxing*), which means, all news media must adhere ideologically to the party line, propagate the party messages, and obey its regulations. Every news organization is a work unit (*danwei*). The party's organization (*dangzuzhi*) within a media unit plays a key role in decision-making.

Before 1992, the media units were organised like other government bodies at central government, provincial, district, county or township levels. Each media unit has its administrative rank. For instance, *Xinhua News Agency* holds the rank of a ministry whereas the provincial *Southern Daily (Nanfangribao)* has an administrative rank at district level. At the top of the hierarchy are the party organs, controlled by the Central Committee of the CCP, such as *Xinhua News Agency* and the *People's Daily*. At the provincial or regional level, there is at least one organ of the Provincial Party Committee, for instance, the *Beijing Daily* in Beijing. Other than the Party organs, there are some special publications sponsored by associations, for instance, *China Women's Paper* of the National Women's League. By law, the State Council is the owner of all mass media. But the regional and local media can enjoy managerial autonomy. After 1992, a few media units, for instance, the well-known *Caijing* magazine, have no such administrative rank. Most of their managers are recruited from the job market, rather than being appointed by the Party or the government (for more discussion of *Caijing*, see Section 5.3 of Chapter Five).

## 2.2 Mechanisms of Operational Control

Broadly, there are four principal ways for the authorities to manage and control the mass media in China: unified (*tongyi*), two tracks (*shuanggui*), hierarchical (*fengji*), and, departmental control (*bumen guanli*) (Interview 2; Fu and Cullen, 1996: 28-38).

The unified mechanism refers to the arrangement whereby the unified leadership of the CCP exercises control over the mass media through the CPD and its subsidiary departments. The CPD governs the mass media both in terms of ideological guidelines of media content and general direction of media reforms. It also supervises news media at the national level directly and others indirectly. For doing that, there is a team under the CPD, comprised of several heads of key national news media, to supervise day-to-day operations in news reporting, and to deal with co-operation matters within these important national media, such as *Xinhua News Agency*, the *Renmin Ribao* (*People's Daily*), the *Central People's Radio*, the CCTV, the *Economic Daily*, and the *Guangming Ribao*. . Since 1992, all directors of the team are from the Domestic Department of *Xinhua* (Interview 3 and 4).

The two-track mechanism is a system under the dual leadership of the CCP through the CPD and the government via its media administrative institutions. They manage the news media with different logics, such as Party logic, cultural logic, and media logic. The governmental institutions maintain day-to-day managerial control, acting as agents to execute the objectives of the CCP.

The hierarchical mechanism is the system arising from the provincial channels of media management. Each province has its own propaganda department under its provincial party committee, and it also has a branch bureau of the SAPP. But the



propaganda departments play a decisive role in ideological affairs.

The departmental mechanism refers to the fact that every news medium must be sponsored by an organ of the CCP, a government department or a legal association. The sponsor must take responsibility for supervising its news media. This sponsorship mechanism enforces internal accountability to buttress the external control by the CCP and the government. It is enhanced by an internal supervisory system, which is legalised by the *Responsibilities of the Sponsoring Unit and Supervisory Unit of Publishing Units Provisional Regulations* enacted on June 29, 1993. Accordingly, a three-tier internal supervisory system must be established in all news units. They are 1) the publishing unit, that is, the news media itself; 2) the sponsoring unit; and, 3) the supervisory unit. The supervisory and sponsoring units have responsibility for supervising the news medium, examining news reporting, and vetting key articles, commentaries and reporting.

The CPD plays a key role in the control mechanisms. The head of the CPD is often a close follower of the General Secretary of the CCP, for example the relationship between Ding Guangen and Jiang Zemin (1992-2002), and the one between Liu Yunshan and Hu Jintao (2002- the present). The CCP always appoints the cadres to head some key news media, such as *Xinhua News Agency*, *People's Daily*, *CCTV*, and so on.

In addition, the CCP established a macro system to oversee the news media. In January 1995, the General Office of the CCP promulgated '*Several Opinions on Further Improving the News Consensus by the CCP's Propaganda Department*', which elaborates 'one system and five mechanisms' (*yige tixi, wuzhong jizhi*) as a framework to govern the mass media. The system refers to the media control system, which is headed directly by the CPC and the Party committees of provinces, autonomous regions, and municipalities.

It is overseen by propaganda departments at different levels, and administered by governmental media institutions. The mechanism refers to informing (*xinxi*), guiding (*yindao*), harmonizing (*xietiao*), safeguarding (*baozhang*), and constraining (*yueshu*). 'One system and five mechanisms' provide an interactive media regime. Accordingly, there are sub-systems such as the news reading system, news research system, news informing system, news conference system, internal communication system, and so on. The regime effectively controls the whole chain of news media from the news reporting to news production, and from product creation to product distribution. But it seriously undermines the autonomy of media units in reporting what the readers and audiences want to know. On July 1, 2001, the CPD launched a warning system (*jinggao zhidu*), to enhance the self-censorship system. If a media unit is warned over three times, it has to restructure under the supervision of the SAPP (Lang Jingsong, 2003: 90).

According to the *Administration of Newspapers Provisional Rules* enacted on December 25, 1990, a licensing system is formalised for newspapers and magazines. Establishing a new paper or magazine, no matter whether it is aiming at the national or local market, must be approved by the SAPP before a licence is granted. Article 10 defines several preconditions for establishing a new medium. They are 1) fixed and competent sponsoring and supervisory units within government; 2) a specific subject matter and editorial policy that are consistent with the portfolio of its sponsoring and supervisory units; 3) competent editors and reporters; and 4) the necessary premises, equipment and capital. Accordingly, the rule legally excludes the independent media without governmental sponsorship. There has been no approval of news publication registration since 1995 (*China's Daily*, May 10, 2003, p.9). However, there have been a

few 'new' newspapers published in China. These new papers, partnering non-state-owned investors, are operating under former publications' registration numbers.<sup>1</sup> Old newspapers are often poorly run, but they can make profits by selling their registration numbers. This practice is not illegal, though the administration discourages it.

Through the external and internal controls, the media authorities, to a great extent, have the capacity to monitor day-to-day operations and the long-term development. Therefore, the outstanding characteristic of China's media governance is its highly centralized licence and approval system (*Gaodu jizhong de shenpi zhidu*). Every step of media reforms and operations is strictly approved by the authorities. It becomes a bottleneck for media development. As a radical liberal commentator, Jiao Guobao, suggests,

'The CPD, together with the whole propaganda system in China, has seriously damaged the Chinese image in the international community. The essence of the CPD is to recreate fascist Germany's "repeating a lie a thousand times for it to become true". The operative purposes and mechanisms of the propaganda system are completely counteractive to modern civilisation.'<sup>2</sup>

There are a few complains on the traditional models of media governance, particularly on allocation of media resources, which are plan-oriented, rather than market-oriented. Such dissatisfaction over media resources becomes one of motivations for media reforms, which will be discussed in the following chapters. Media practitioners

---

<sup>1</sup> For instance, the *Economic Observer* in Beijing, the *21 Century Economy Herald* in Guangzhou, *Beijing Times* in Beijing, and so on, are operating in this way.

<sup>2</sup> Jiao Guobao, 'Taofa zhongxuanbu' (Crusade Against the Central Propaganda Department), at <<http://beijingspring.com/bj2/2004/280/2004424164220.htm>>, accessed on March 1, 2004. Although the CPD was angered with the essay by Jiao Guobao, it imposed no severe punishment on him. Sponsored by the Ford Foundation, Jiao Guobao went to America as a visiting scholar after he quit his job in Beijing University in mid-2004.



and authorities complain that the number of newspapers, magazines, publishing houses, broadcasting stations, and TV stations in a given administrative area, does not depend on the market demands, but on the rank of the administrative area. Liu Binjie, deputy director of the SAPP, stated at the School of Journalism of Beijing University, on September 19, 2003,

‘The model of central planned media governance is not compatible with the market-oriented economy. China has already established the framework of a market economy, but the media industries could not keep up with the pace.’(Liu Binjie, 2004: 27)

### **3 THE CHALLENGES TO TRADITIONAL MEDIA GOVERNANCE**

#### **3.1 The Local Flourishing Media against Central Control**

Since the 1980s, the Chinese economic reforms have called for a more efficient communication infrastructure that can provide more timely information and more effective economic promotion. Although China has a licensing system to defend the CCP’s dominance over the mass media, there was a huge investment in the media sector when the Chinese economy boomed. Local governments and ministries were keen to have their own media to express their voice. There were 2,137 newspapers, 9,029 magazines, 2,000 TV stations and 81 media groups by 2002 (*China Business Weekly*, August 17, 2003, p.12), compared with 185 newspapers, 32 TV stations established in 1979 (Burgh, 2003: 29). With an annual growth of 8 per cent in gross domestic product

(GDP) and the advertising market expanding at an average rate of above 40 percent since 1992, the potential of a huge media market in China has been increasingly recognized (Zhou, 2002:73). In the mid-1990s, nearly 90 percent of urban households had colour television, and more than 80 percent of rural households had either black-and-white or colour television. By 1998, there were 300 million TV sets in China and this figure will increase to 400 million within ten years (Lu Di, 1999: 199). In 2003, China radio and television covered 93.34 per cent and 94.62 per cent of its population. There were 282 radio broadcasting stations, 744 media and short wave radio transmitting and relaying stations, 320 general television stations and 62 education television stations throughout China. Subscribers to cable television programs reached audiences of 105.08 million. In that year, China produced 140 feature movies, 61 scientific, educational, documentary or cartoon films and 1 special movie. National and provincial newspapers issued 24.36 billion copies; magazines, 2.99 billion copies; and books, 6.75 billion copies.<sup>3</sup>

**Table 3.1:    Radio and TV Broadcasting and Publications, 2003**

Item	Figure
Ratio of radio broadcasting covering	93.6 %
Ratio of TV broadcasting covering	94.8%
Publication of magazines	2, 990 million
Publication of books	6,750 million

Source: National Bureau of Statistics of China, 2004

The increase of investment in media domains enabled Chinese people to have more

<sup>3</sup> These figures come from the Chinese official website. See ‘Statistical Committee of the People’ Republic of China on the 2003 National Economic and Social Development’, at <<http://www.china.org.cn/e-company/04-03-20/page040102.htm>>, accessed on June 7, 2004.

information accessibility; therefore, the increase of media accessibility changed media consumption behaviour in China. The consumption of media shifted from previous 'political study' groups at workplaces in pre-1970s, to informal groups of friends and neighbors in their flats in 1980s, and finally to individual private consumption from 1990s. This transformation from public participation to private consumption has enabled the Chinese people to avoid interruptions of media consumption from the Party, and further create their own interpretation of media content.

The rapid growth of media industries in China, together with its successful economy, is mainly attributed to political decentralization (Williams, 2001). Decentralization has reshaped the power distribution and political relations within the communist party-state system and the central-local system. It allows regional and local bureaucrats to benefit from it through preferential policies, with the relationship of 'reciprocal accountability' among the party elites (Shirk, 1997; An Chen, 1999:chap.7). The relationships between the provinces and the centre have become a crucial factor in national decision-making (Ferdinand, 1991; Zheng, 1997:215-224). Decentralization created a new way to maintain Chinese political stability in the era of globalization. It is based on rapid economic growth, which in turn requires greater flexibility at all levels of the political system. The central government allows such flexibility, as long as it contributes to economic growth and political stability (Lieberthal, 1995). As a result, there is an implicit national political bargain. Jean Oi terms this distinctive form of governance as 'local-state corporatism', which constitutes a hybrid form that utilizes local capacities inherited from the Maoist era and it is blended with forms found in capitalist developmental states (Oi, 1995:1132-49). One of the surviving factors for the



local authorities is that they are keen to draw on foreign capital or overseas Chinese expertise to facilitate economic development. Therefore, the local officials are keen to absorb foreign capital, including from TNMCs. The relationship between the center and provinces is described as ‘the mountains are high, and the Emperor is far away (*shangao huangdi yuan*)’ in a Chinese saying. Therefore, the orders (*mingling*) of the central government may not exert as strong an influence on the local governance as they did before (Breslin, 1999:63-72). In terms of governance institutions, as Shiping Zheng contends, institutional restructuring may be made when economic modernization continues to generate more divergent interests between the centre and localities and among various regions (Zheng, 1997:264).

The same happens in the media sector (Wu, 2000). All provincial governments and different administrative departments would like to take more initiatives. The fragmentation among different branches of power is politically more important. To a great extent, it seems to have disrupted the policy-making process. Although the party prohibits media operators from distributing foreign channels without official permits, some cable stations, particularly in coastal provinces like Guangdong, transmit the signals of STAR TV and other TNMCs’ channels. Moreover, when competition along with rapid media expansion becomes increasingly intensive, the local governments encouraged commercialization of mass media. It firstly has taken place in Guangdong in the 1980s and spread to other provinces in the 1990s. It has become a way for most media units to survive in the marketplace after the government stopped subsidies. It has also become an increasing tendency to create products catering to the assumed tastes of target audiences as opposed to the tastes of the central party-state’s propaganda cadres.

Therefore, media commercialization introduces incentive structures into public service provision through contracting-out, quasi-markets, and consumer choice. Each city in China has several newspapers and television channels, catering for a vast range of tastes. Under cutthroat competition, many local stations would like to broadcast imported TNMCs' programmes to attract audiences, though they are not officially allowed to do this. Furthermore, the local media still play a significant if not dominant role in the formulation of governing policy. Therefore, media governance is moulded by different contexts between provinces (Long, 1995/1999:51-62). In general, the officials in coastal areas are bolder in encouraging flexibility of regulations than those inland. The balance between states and markets, as Susan Strange suggests, has shifted in a way that makes the state just one source of authority among several, leaving a blind-spot of non-authority or ungovernance (1996:14). The result of media commercialization in China is, as Daniel Lynch observes, 'a saturation of the media with so-called "spiritual pollution", "vulgar", "pornographic" and "feudal superstitious" communications that undermine the state's efforts to build a "socialist spiritual civilization".' (Lynch, 1999:6) These media products, which have received profound governance concerns, have become targets of vigorous criticism and political campaigns.

### **3.2 The Penetration of Global Media in China**

The rapid growth of the Chinese economy benefits from the integration into global society since the 1990s (Pei, 1994). After the party no longer regarded the major capitalist countries as imperialism power engaged in a zero-sum struggle with the socialist countries and the less developed countries in the 1980s, the CCP began to take

more measures to integrate into the 'global family'. Since 1992 China has zealously participated in international institutions like the World Bank. As a way of successfully continuing to attract foreign direct investment (FDI), China continued to negotiate with the World Trade Organization (WTO) after it failed to gain membership of GATT in 1995. It adjusted the administrative and legal structures, deregulating even in some sensitive sectors such as telecommunications. Therefore, there has been a steady increase in the proportion of business messages circulating in China that have originated from abroad. The authorities have been keen to employ foreign information to stimulate awareness of the fact that 'China faces a serious crisis in the global village'.<sup>4</sup> Moreover, the foreign actors, such as international institutions, transnational corporations, employees, and so on, demand original, direct communication with their headquarters and branches worldwide. It makes penetration by the global media possible.

From the early 1980s, TNMCs entered the Chinese magazine market in non-political areas, such as finance, fashion, technology, and so on. Most international magazine brands, such as *Business Weekly*, *Fortune*, *Newsweek*, *Elle*, *Figaro*, *Cosmopolitan*, were permitted to publish Chinese editions with official publishing units (Lam, 2000:47). The most popular news websites in China, like '*sina.com*' and '*sohu.com*', are joint ventures. An upward tendency appeared due to the increasing number of television stations since the early 1990s, though there are no official data published. Take Viacom for example. Since 1995, its MTV sold programmes to more than 100 television stations. It also successfully promoted *Nickelodeon*, a children's education programme, to nearly 100 channels covering 20 provinces (Ye Zhan, 2002), as well as to CCTV from 2002,

---

<sup>4</sup> This concept originated from former Party Secretary Zhao Ziyang for the purpose of taking part in the global community and promoting domestic political and economic reforms.



accounting for 300 to 500 million audiences (Zhou Jiwei, 2002: 67). Several satellite systems including Star TV broadcast their programmes to China (Lynch, 1999: 119-121). By 2002, China had approved 22 international broadcasting networks to enter the Chinese market, including the BBC, CNN, CNBC and Sky News (*Economist*, Oct.27,2001). This number had increased to 31 by 2004 (Interviewee 24). Since China's entry into the WTO, AOL Time Warner and News Corporation have been permitted to broadcast some channels in Guangdong Province. In the feature film sector, foreign films account for an increasing part of the box office revenues. They even dominated half of the total revenue in 2003 (Li Chui, 2003: 70). The flourishing foreign media has threatened the survival of Chinese domestic media, undermining the government's previous expectation that the media industry should be one of the driving forces of economic growth.

The rules of the political game in China remained the same, but a news story that appears in the international media, particularly in the media with worldwide influence, such as the *New York Times*, *Washington Post*, *Financial Times*, and so on, has more impact upon the CCP and the Chinese government than a story in the local media, even if the story originated from a Chinese source. SARS broke out in the spring of 2003 in the south of China, but the government suppressed it for several months. It was originally reported by Guangzhou's *Southern Metropolitan Paper* and Beijing's *Caijing Magazine* in February. However, the Western media have much more influence on the Chinese government. In mid-April, American news weekly *Time* and other Western media exposed that Chinese officials had intentionally covered up the fatal disease. They also criticised the Chinese authorities and called for isolating China from the global

community. The Chinese government was under great pressure from global criticism. Soon it stepped up effective efforts to constrain the disease. In addition, it soon resulted in a great improvement of the governmental news release mechanism, though this mechanism was first implemented in 1983 (Interviewee 50).

### 3.3 The Agreements of the WTO

The WTO negotiations strengthened and consolidated liberalising forces in the Chinese economic and political arenas. On November 11, 2001, China finally became a member of the WTO after a 15-year-long negotiating process in which 'dark hair has turned gray'.<sup>5</sup> The accession to the WTO may be a watershed for Chinese society because the government made a strong commitment (Kong, 2002:1; Wang and Cheng, 2001:297-328). It poses heavy pressure behind China's reforms not only in improving the quality of goods and services, but also in promoting the rule of law and reducing governmental intervention.

The WTO has given rise to several issues that force the ruling party to conduct substantial structural changes in terms of institutional reforms and administrative transformation.<sup>6</sup> During the short transitional period from 2002 to 2004, the government amended thousands of obsolete laws and regulations at the national and local levels. Meanwhile, in order to support the development of many industries previously closed to foreigners, many new laws and regulations have been promulgated to encourage

---

<sup>5</sup> It is a famous phrase which described the hard process of China's negotiation of accession to the WTO by former Premier Minister Zhu Rongji in the NPC's news conference on March 18, 1999

<sup>6</sup> see a speech by the Director of SABFT on August 14, 2002, 'WTO yu guangbo yingshiye gaige[ WTO and reforms of broadcasting, film and television]', at [http://academic.mediachina.net/xsjd\\_view?id=680](http://academic.mediachina.net/xsjd_view?id=680), accessed on November 8, 2002; see also Lui, Jiezhong, 'WTO dui xinwen gaige de tuidongli tanxi[ The Push of WTO on Press Reform]', at <http://www.cddc.net/shownews.asp?newsid=3784>, accessed on Sep. 30, 2003.

international participation (Kong, 2002:2). In addition, millions of officials, legislators and judges have been required to amend their outdated norms rooted in the planned economy era and admit universal rules from the global community, in which a market economy opens up to foreign participation and becomes committed to the principle of transparency and non-discrimination against foreign goods and services. In this sense, the entry into the WTO is the beginning of a real wave of profound reforms prevailing in China.

The TNMCs also impose heavy pressure on the Chinese media authorities. There is a gap between the Chinese legal regime and the WTO requirements when it comes to the enforcement of Chinese obligations under the Accession Protocol and the WTO Agreements. The protection of Intellectual Property Rights (IPRs) is an essential component of economic reforms and opening-up policies. China formulated laws and regulations in this field in the late 1970s, after joining relevant international conventions and organizations. Aiming at developing a world dimension and world standards, China undertook to align with the WTO Agreements. However, there are increasing disputes on IPRs between the TNMCs and Chinese media. Due to the weak law enforcement of the government, the infringement of copyright is a serious problem that impairs the TNMCs' benefits.

### **3.4 The Advanced Communication Technologies**

The significance of transformative notions such as Giddens' 'time-space distancization' (1990) characterizes the shrinking time horizons for decision-makers, and marks their ability to harness the declining transportation and communication costs to



spread decisions over wider and more diverse spaces. The approach of technological determinism focuses on the wide-ranging sources and uses of power outside the legal-regulatory apparatus. Most of them rise from the increasing accessibility of information for ordinary people, though it tends to neglect the state's capacity for information control. As Joseph S. Nye Jr. suggests, 'technology affects society and government, but the causal arrows work in both directions.'(Nye, 2002:2-3)

In China, the CCP successfully ushered in communication technologies (CT) to promote its mass campaigns and mobilise its administrative centralization in its history (Lynch, 1999). But it has to adjust administrative measures, and even partly lost some capacity and control over the CT. Having a huge amount of investment since 1992, the rapidly growing telecommunication networks link Chinese society---via telephone, fax, and the Internet—with potential interlocutors in nearly 200 foreign countries and regions. Beginning with a few academic networks in the late 1980s, the Internet, which offers the Chinese an important window to the outside world, has experienced substantial growth since 1994, particularly after 1999. As table 3.1 demonstrates, the capacity of the Internet networks in China increased dramatically within several years. In 1997, China had 620,000 Internet users, but this number soared to 79,500,000 in 2004, more than twelve times that in 1997. Chinese Internet users, who are no longer required to be registered in police stations, have become a significant force, because of their status as urban intellectuals, businessmen, professionals, and college students. Moreover, fiber-optic cable, satellite, and digital broadcasting are multiplying the number of television channels, and these are supplemented by video, CD-Rom productions, and on-line services.

Thanks to the advance of communication technologies, 'human interaction in a

world where its cost is no longer a significant bar need not be confined within national boundaries’ (Pool, 1990:13). Many domestic problems are now handled internationally. This has visible effects on the spatial organization of human activities both within and among nations. It is a significant threat to the information control by the CCP. There was a case of a schoolhouse explosion in which 42 children died in Jiangxi’s Wangzai County in December 2001. Premier Zhu Rongji and the Xinhua News Agency initially attributed the disaster to an accident. However, it was effectively challenged and criticized on the Internet. Finally, Zhu Rongji had to make a rare apology to the public (Interviewee 5). In this sense, the advanced CTs have enabled the Chinese people to access more information they are interested in and the virtual political participation has increased dramatically

**Table3.2    Internet Growth in China**

	Computer Hosts	Internet Users	Domain names (.cn)	Web Sites	International Bandwidth (Mbps)
Nov 1997	299,000	620,000	4,066	1,500	18.64
July 1998	542,000	11,750,000	9,415	3,700	84.64
Jan. 1999	747,000	2,100,000	18,396	5,300	143
Jan. 2000	3,500,000	8,900,000	48,695	15,153	351
July 2000	6,500,000	16,900,000	99,734	27,289	1,234
Jan. 2001	8,920,000	22,500,000	122,099	265,405	2,799
Jan. 2002	12,540,000	33,700,000	127,319	277,100	7,597.5
July 2002	16,130,000	45,800,000	126,146	293,213	10,576.5
Jan.2003	20,830,000	59,1000,000	179,544	371,600	9,380
July.2003	25,720,000	68,000,000	250,651	473,900	18,599
Jan.2004	30,890,000	79,500,000	340,000	600,000	27,216

Source: China Internet Network Information Center (CNNIC), *Semiannual Survey Report on the Development of China's Internet* (several years). Available online: <http://www.cnnic.net.cn/download/manual/statisticalreport13th.pdf>, accessed on February 12, 2004.

(Hung, 2003). As an integral component of globalization, it ‘is employed by global capitalism to spread its ideologies and values through multimedia images, icons, and other means.’ (Liu, 2004:20) The gap between Party line and reality has widened,

‘eroding the legitimacy of CCP rule’ (Clemens, 1999:4). The authoritarian regime may find it difficult to survive due to an increasing source of reference and greater governmental transparency, in the Chinese word ‘*toumingdu*’ (Ferdinand, 2000). An example of this potential was the way the Soviet dictatorship was undermined by photocopying (Clemens, 1999). It is a big challenge for the CCP to retain political dominance in the information age.

### 3.5 The Claims for Media Legalization

According to the Constitution of the PRC in the 1982, 1993, and 2004 versions, there are at least five articles relevant to the media industry and press freedom. It defines the character, target and function of the mass media. It says the media is a ‘service for the people and service for the socialist country’ (Article 22). It also defines press freedom in China (Article 35 and 47). Article 35, for instance, clarifies that ‘citizens of the People's Republic of China enjoy freedom of speech, of the press, of assembly, of association, of procession and of demonstration’. Article 47 also clarifies that the Chinese people ‘have freedom to engage in scientific research, literary and artistic creation and other cultural pursuits.’ Moreover, the Constitution emphasizes that the mass media are under the supervision of the State Council (Clause 7 in Article 89), rather than the CCP.

According to the Constitution, Chinese citizens have the right of press freedom. Therefore, Sun Xupei, a prominent scholar, argues that China does not lack the constitutional base for press law (Sun Xupei, 1994). However, the Party regards the news media as its ruling instrument. Subsequently, the Party regarded the establishment of private media as illegal, bourgeois ‘liberalization’. The fact that the Party, rather than the



government, controls the media industry is already an abuse of public power and violation of the Constitution. Therefore, Tong Bing, a scholar in Fudan University, argues, 'it is the party itself who may make the biggest mistakes.' (Tong Bing, 2003:19) Sun Xupei also argues that no matter what law is made by the NPC, what decree is made by the government, or what principle is made by the party, all systems emphasize the bottom line that the news media must have the CCP's characteristics of ' "mainly positive reporting" (1984), "[media is] regarded as social benefits as top goals" (1990), and " [the Party] considers internal and external effects, reminds the social effects [of the mass media]" (1983).' (Sun Xupei, 1994: 19) Therefore, the media industry is subordinated to the party and becomes an ingredient of propaganda institutions; freedom of press is limited. As a result, it is a contradiction between the Constitution and the administrative laws and decrees. The Constitution allows citizens to have freedom of press, freedom of speech, and independence of news media. However, the official regulations infringe the Constitution with their changeability, state hysteria, and low quality. Jiao Guobiao, an associate professor in the School of Journalism and Communication of Beijing University, suggests,

'the evil of the CPD is to play a role as killer against the Constitution. In theory, the CPD is an official department in the CCP and it should play a role as defender of freedom of press and freedom of expression in accordance with the Constitution. In practice, the CPD abuses the Constitution. Defending the Constitution, we must crusade against the propaganda systems.'<sup>7</sup>

---

<sup>7</sup> See an essay by Jiao Guobiao, 'Crusade Against the Central Propaganda Department (Taofa zhongxuanbu)', at <http://beijingspring.com/bj2/2004/280/2004424164220.htm>.<sup>2</sup>

China has been trying for over two decades to develop a Media Law, but China and the world are still waiting. Before 1979, media policy in the PRC was clear. That is, the media were both the mouth and tongue and the eyes and ears of the CCP. Since 1979, voices demanding a Media Law have been increasing. In 1984, the CPD's Press Bureau submitted a proposal to produce a Media Law (Chao Peng, 1999: 201), but it was aborted in 1989. Particularly after 1992, the ownership of news media has transformed from a party-state monopoly to a multi-tiers structure, in which the state, public organizations, the private sector and foreign investors can own different media outlets (Tong Bing, 2003:15). Some authors suggest the reason for the lack of clarity and effectiveness in media regulation is the 'lack of both human and material resources' (Chen and Fu, 1998: 161). The media practitioners, however, complain that the CCP deliberately delays the establishment of the Media Law, because the market force is increasing much more than in the past. If a Media Law existed, media practitioners would use it to struggle for their freedom.<sup>8</sup>

The violation of the Constitution and the delay in the media law have made China's journalism ambivalent and incompatible with developing the media industries. Some warn that there would be serious consequences if political reforms did not accompany economic reforms (Goldman, 1994: 299). After 1992, there has been some discussion of the laws, responsibilities, and rights of journalism. Chinese media practitioners complained that, because there are no legal safeguards for the watchdog function of mass media, journalists have a hard time simply investigating a story, let alone openly criticizing the government. In recent years, the media practitioners and academics have desired a legal system for defining the obligations and rights of journalists and the news

media, because there are increasing cases where the rights of news reporting are trampled, the journalists are caught, tortured and even jailed, and the news media suffer retaliation and are closed down. 70 percent of Chinese journalists involved in law cases were defeated, but the percentage in the USA is only 7 (Tong Bing, 2003:18). Zheng Baowei, a scholar in People's University, argues,

‘the most important precondition for public scrutiny (*yulun jiandu*) is to establish a set of media laws, to improve the legal system, and to insist on rule of law. The state must draft and promulgate a Media Law or Public Scrutiny Law, to rule and manage news criticism and public scrutiny, rather than ruling by the interests of the party and government leaders.’(Zheng Baowei, 2000: 38)

The challenges from the rapid development, globalization, advanced technologies, decentralization, and self-awareness of civil rights, provide a ‘bottom-up’ analysis for the transformation of media governance. This section demonstrates the crisis that the CCP and the government confront. The increasing number of imported programmes undermines the state's efforts to build a ‘socialist spiritual civilization’. The advanced communication technologies have been achieving significant inroads by linking dissident networks and forcing the security apparatus into a seemingly futile race to try to stay one step ahead of technology. Commercialization reforms generate reforms in the media sector, providing increasing news stories on sensational issues such as crime, smuggling and prostitution to lure readers. The growing diversity of communication messages may give rise to many kinds of public sphere (Habermas, 1989), challenging the CCP's capacity and control over the media. Tensions emerged as top-down models of public



information dissemination gave way to more autonomous and plural forms of media production and to distribution mechanisms sustained by the flourishing market economy and participation of global actors. Therefore, as Willy Wo-Lap Lam argues, information technology would challenge the traditional governing system in China (Lam, 2000:38). The quaint Communist party 'reading groups' of censors, the vague media laws and regulations which encourage self-censorship, and the more blatant controls such as intimidation, arrest and imprisonment of journalists, may be disrupted in the age of globalization.

## **4 THE FADING PARTY CHARACTERISTIC**

### **4.1 The Changes of Media Guidelines**

Basically, media governance in China, together with other political and economic policies, has been established in conformity with the 'Four Cardinal Principles', which are 1) Marxism-Leninism Mao Zedong Thought; 2) the socialist road; 3) continuation of the people's democratic dictatorship; and 4) absolute political dominance by the CCP (Deng Xiaoping, 1994). It is based on Mao Zedong's thought, but it seems to be slightly and continuously adapted in the 1990s. The adaptation might reflect the CCP's weakening control over the media.

Before 1979, the Chinese media were completely dominated by the CCP. In May 1942 Mao Zedong delivered a speech at the Yan'an Forum on Art and Literature that laid down guidelines for literature, art, and journalism that have been in use ever since. As

Mao stated, there is no such thing as art for art's sake. It exists primarily for politics, and not for amusement or entertainment. All kinds of art have their class nature (Mao Zedong, 1993: 389-391, 409-410). In other words, the mass media are an apparatus of the CCP's propaganda and private media are forbidden. After the Yan'an Forum, Mao's approach, 'from the masses, for the masses', has become the principle of media governance in contemporary China (Liu Binjie, 2004; Hsiao and Cheek, 1995). Accordingly, actively involving the masses in implementation of the leader's decisions can acquire popular support for those policies. Any policy should seek to gather information from the populace but it is the leaders who make the final decisions (Mao Zedong, 1983). The mass line is a principle in which society is dominated by the state. Individual advocacy or interest-group activity is regarded as legitimate neither theoretically nor practically. Its character is the directive operation from the top leadership, whose decisions are mainly expressed in documents, rather than through the Constitution and laws in Western democracies (Wu, 1995).

The years after 1979 saw a slight adjustment in this governing model along with open-door policies and 'four modernizations' policies. The functions of the mass media, thus, gradually shifted from a complete propaganda mechanism to news, social education, and entertainment orientation (Interviewee 51). However, nationalism and anti-foreignism are two strong forces in shaping media policy. As importation of foreign programmes was increasing, the CCP began to pay attention to the political implications of imported programmes, whose consequences are visible in the long term. The nationwide discussion on 'practice as the only basis for testing truth' and the emergence of the Xidan Democracy Wall provoked the CCP to campaign against 'spiritual pollution'

in 1983. Moreover, the nature of Party journalism was defined as ‘an organ of the Party, the government and the people’ (Change, 1989: 56; Lee, 1990: 8). Tighter press control returned after the Tiananmen Square Incident when the CCP promoted a campaign against ‘peaceful evolution’ in the early 1990s. Former President Jiang Zemin asserted, ‘truthfulness in news means precisely to uphold the Party’s ideological line.’(Quoted by Herbert, 2001: 138)

The year 1992 was a turning point for Chinese reforms with the call from Deng Xiaoping for ‘more opening and deeper reform’ when he visited the south of China. Market forces gained momentum after the CCP accepted a market economy at its Fourteenth Party Congress in late 1992. Zhao Zhiyang’s political reform approach, previously characterised as ‘authoritarian liberalism’, was redefined in practice. Media guidelines seemed to be transformed from the rationalization of Leninist propaganda to limited liberalization of press freedom. Journalistic institutions began to be managed as a kind of enterprise, though the essential function of the news media and Chinese journalism could not be changed. By maintaining the core of Party guidelines in the past decades, media governance has often been required to ‘act quickly and sensitively to even the slightest fluctuations in political direction’ (Anke and Rowan, 2002:18). Thus, media policy is in a perpetual state of change. Within the reform camp, some have argued that China should develop its own form of ‘press freedom with Chinese characteristics’, rather than simply borrowing the Western model. They argue that the party is still the owner, the manager, and the practitioner. But the media industry has made great progress by having more audience feedback, public debates, and professional associations. Media commercialization has been blooming after the CCP decided to reduce subsidies to media



units, providing more opportunities for non-party units to participate in the media industries (Interviewee 2).

In the early twenty-first century, reports in the Chinese news media have become less bureaucratized. The outbreak of severe acute respiratory syndrome (SARS) in spring 2003 weakened the rationale of the CCP's information control system. The nationwide panic prompted the new generation of Communist leadership to embed a doctrine of 'tell the truth' into the mainstream media. The outbreak of SARS and the cases of Sun Zhigang and Zhu Zhengliang,<sup>9</sup> all pressed the new leaders to establish a release system of government information. The news media now show great concern for people's safety and their lives and public health. In 2003, the domestic media battled fiercely against rampant discrimination against migrant workers in pay, education of their children and medical care. Together with relevant government departments, the media forced many recalcitrant bosses to pay delayed wages to migrant workers before the Spring Festival of the Year of the Monkey. The media and the audiences claim that they have the right to know the governmental activities. Li Changchun, the chief of the CCP's propaganda and an associate of President Hu Jintao, announced, 'News reportage should uphold "Three Proximities" (*santiejin*), that is, proximity to the public; proximity to reality; and, proximity to day-to-day life.' (Li Chuangchun, 2003: 3-10) The media and audiences claim that they do not need numerous images of leaders on the screens, on the front pages of newspapers, or in radio headlines. Rather, they need diverse information and transparency of governmental activities. Therefore, the new generation of leaders

---

<sup>9</sup> After Sun Zhigang was beaten to death in police custody on March 19 2003 in Guangzhou, the CCP acted swiftly to demand a thorough investigation and punishment of the officials who had abused their power. Zhu Zhengliang was a farmer from Anhui province who travelled all the way to Beijing to set himself on fire to protest against the local government's decision to relocate his family. The core leaders intervened and solved his problems. All cases were firstly reported by the bold presses in Guangdong Province.

promoted administrative reforms, such as simplifying the ritual of leaders' overseas visits, shortening reporting on leaders' activities, setting up a regular government news release system, and so on, to preserve the institutional establishment.

## 4.2 The Media as an Industry

Zhu Yulong is the Party Secretary of an impoverished village in east Sichuan Province, but the total amount of money he spends on subscribing to 20 newspapers and magazines every year is around 150,000 yuan (US\$18,122). It cost every villager about 10 yuan (US\$1.21) annually (*China Daily*, Sep. 2, 2003, p.2). It takes more than half of the total budget for administrative expenses. Zhu is not an avid reader, nor do his fellow villagers have insatiable appetites for information. Most of these publications go straight into the waste-paper basket. Their subscription is an administrative order, which is one of the critical problems in China's party publication. Government spending covers about 6 to 10 billion yuan (US\$725 million-1.21 billion), nearly half of the total annual subscription fee (16 to 20 billion yuan). Of the 2,137 newspaper titles in the country, at least 1,250 of them depend on the subscriptions like those of Zhu Yulong. There were many complaints from the bottom that the central government finally decided to reduce the number of unwanted publications to 1,000 titles in late 2003(*China Daily*, Sep.2, 2003, p.2.). While the rest of China strides onwards from central planning to a market economy, many of the news media remain in the hands of government agencies and party organs, though there have been a few experiments where the government allowed selected media units to operate like profit-oriented enterprises, such as *China Securities Paper*. When

selling a newspaper is part of administrative power, mandatory purchases are unavoidable. In the television sector, two thirds of TV drama could not recoup their investment (Wang Jianru, 2002: 38). The deficiencies of the media system placed a great financial burden on the government.

In the fall of 2003, China's authorities began to regard the media as an industry, which contributes to national economic growth. It is a break through in Chinese media history, in line with the 'Three Proximities' guiding journalistic operations. The motivation for the media reform mainly stems from a contrast between the under-developed media sector and other booming sectors under the same market-oriented economy. A significant factor is the conservative political climate, in which the news media have to play a dual role that leads to a confusion of media targets between public service and economic achievement, conflicts between the propaganda media and the mass media, and incompatibility between political propaganda and social service functions. As an official in the CPD states,

'From 1979 to 1985, China's news media reached quite an advanced peak, in which the quality of newspapers and publication was even higher than that of nowadays. After that, we had a few fluctuations and turmoil in terms of ideology, culture and society. From the 1990s, China's media were set on the right track with gradual development. In 1992, the private sector was allowed to become involved in publication. However, after that, the media reforms could not keep up with the development of the market economy. Only in 1999 when it achieved some degree of success in the negotiations with the WTO did China have to



compromise with international market forces in the news media sector, making a commitment to open up some areas in the media industries. Under such circumstances media reforms became an urgent issue.’(Interviewee 1)

After a long delay, the Chinese media authorities launched a bold systematic reform package from 2002, splitting the news media into public service units and commercial units. In November 2002, the CCP’s Sixteenth Congress clarified, ‘Development requires that we uphold and deepen reform. It requires that we do away with all notions which hinder development, change all practices and regulations which impede it and get rid of all the drawbacks of the systems which adversely affect it.’(*People’s Daily*, Nov.17, 2002, p.1) The Sixteenth Party Congress regarded culture, including the mass media, as an industry. In order to develop cultural undertakings and industry, the party requires that it is imperative to meet the requirements of developing advanced culture and always places social benefit first. The state supports and protects public cultural undertakings, encourages them to enhance their vigour for self-development, continues to improve the policies and measures for developing public cultural undertakings, and strengthens cultural infrastructure and boosts various types of popular culture. On the early stage, Li Chuangchun, a member of the Politburo of the CCP, clarified that the key to cultural reforms is to solve the structural problems in the media system. Thus, a new cultural system should be created (Li Chuangchun, 2003). On August 12, 2003, the CCP Politburo hosted the seventh collective study meeting to discuss developmental strategies of cultural industries. After consulting with media experts, President Hu Jintao pointed out,

‘According to the characteristics and rules of socialist culture in the new

environment, and according to the requirements of cultural achievement, we must promote cultural system reforms and institution building for the sake of supporting and defending our public services, and strengthening the capacity and competitiveness of the cultural industry.’(*Xinhua News*, August 13, 2003; *People’s Daily*, August 14, 2003, p1.)

Hu’s speech became the basic document in the session on ‘Further Reforms on Science, Education, Culture, and Health Systems’ in ‘*The CCP’s Decision on Several Issues on Improving Socialist Market-oriented Incorporated Economy Systems*’, which was passed at the third session of the 16<sup>th</sup> Party Congress in October 2003 (*The People’s Press*, 2003: 30).

Therefore, a notion of the public service (*gong yi xing*) was a subject of debate in China’s communications system, with the focus on bureaucratic conflicts over convergence and segmentation of consumer interests. To ensure the preservation of the citizen’s right to be informed and to communicate freely, which is the essence of political democracy, the Western media authorities regard public service as a mechanism to balance the capital accumulation imperative of communication firms with democratic values. In the Chinese context, although the CCP always asserts that its mass media represent the people’s interests, the mass media only stand for the interests of a small number of the CCP members in supreme power. The cultural reforms attempt to establish some stable institutions that allow at least some public participation, though the CCP is unaccountable to the public. The reforms, in which for the first time the CCP distinguishes between the media roles as propaganda tool and as economic growth mechanism, aim to separate the public service sector and the commercial sector nationwide. The concept of ‘commercial culture industry (*shangyehua wenhua chanye*)’,

as Yin Hong and Li Degang argues, lifts the regulatory barriers on culture and media marketization, providing a political guarantee for sensitive cultural and media industries (Yin and Li, 2004: 5-9).

With the definitions of public service and commercial operation, the reforms in China's television industry stepped on to a new stage after 2003. From the central to the local levels, the Chinese TV units have been keen to launch a grand reform. The SABFT states that public service broadcasting (PSB) follows the government, while commercial operations follow the market; public service units are non-enterprise organizations that serve the social informative requirements with non-profit orientation for citizens; commercial units are profit-oriented enterprises which produce and operate media services for consumers. According to the government's ideal model, there are some public media institutions that are fully subsidized by the state and government, and others must be transformed into self-reliant, self-management, and self-development marketised units, particularly in sectors such as TV drama, education programmes, and entertainment. The aim of the reform is to restructure the media system in accordance with market-oriented principles but not to undermine the Party's agenda-setting (*yulun daoxiang*). It is designed to try to balance the commercial and public interests. Therefore, the media institutions began to separate core news sectors from the marginal sectors, the content production from broadcasting networks, ideological information from cultural entertainment. They formulated a new media system, 'in which the government subsidizes the public service units, and the market orientates the commercial units.' (Yin and Li, 2004:8)

The government has accelerated the reforms of 'separating government



administration from enterprise (*zhengqifenkai*)' in the media sector, though it had been on the agenda of political reform in the mid-1980s. Accordingly, media units have autonomy in management; the government cannot interfere with media operations; media units become self-governing under the relevant laws; and social associations play a role as public supervisor. Many measures, including permitting private investment in the television sector, have been stipulated in order to boost the media industry (Interviewee 2). Furthermore, in 2003, the SAPP established an evaluation system for the press and publication, requiring a market feasibility report before a new paper or a significant reform in existing papers. Meanwhile, a withdrawing system is to be established for the sake of closing some papers with market failure (Shi Feng, 2004). By the end of 2004, there were 35 media groups selected in the cultural reforms (Yang Chiyuan, 2005:10).

The recognition of the media as an industry has rich implications for China's media politics. If the media units move towards a modern firm system, in other words, if the media regulators continue to transfer decision-making power from central and local party committees and state bureaucrats to media managers, the party-government control over media units might be unavoidably weakened. The Company Law promulgated in 1993 may provide corporation governors, such as shareholders, boards of directors, and managers, with a legal foundation allowing them to fend off the political control of the party government. These reforms aimed at transforming the Chinese media into self-sufficient corporations, rather than government-affiliated organizations. Government departments to which the media are affiliated could not interfere in the contents of reports (Interviewees 1 and 2). Therefore, there may be greater opportunities for the media to play the role of 'watchdog'.

## 5 MEDIA INSTITUTIONAL CHANGES AFTER 1992

As the global momentum of technological innovation, convergence, and market liberalisation has reshaped the benefits of participation in the global media trade since the 1990s, the process of institutional policy-making has become complex. Globalization has had a wide range of direct and indirect consequences on the government's traditional ability to steer society and the economy (Pierre and Peters, 2000:58). Through the decentralization of authority and opening up to outside resources, the economic reforms have driven the Chinese society into a state which is gradually retreating from its Leninist system of party-state governance (Lee and Zhao, 1995: xxv; Winckler, 1999). In general, as one commentator points out,

‘State responses to these effects have to a considerable degree aimed at not just ameliorating and mitigating the effects of globalization but also developing and strengthening transnational institutions through which states in concert pursue their interests vis-a-vis global capital.’(Pierre and Peters, 2000:59)

The governance response to the internal and external influences is to reunify its bureaucracy and to transform its governing institutions. The unified bureaucracy has demonstrable advantages: reliability, predictability, probity, cohesion and continuity, providing ‘direct, hands-on control of services through hierarchical, rule-based disciplinary structures.’(Rhodes, 1997:100) From 1992 onwards, media governance has been formatted in three aspects: bureaucratization, specialization, and professionalization. The media transition can be observed in the restructuring of state institutions and the



changes in their operational modes and social composition. Restructuring has involved the adaptation of existing institutions and the creation of new institutions. Regulatory reforms and market restructuring have been the hallmark of the past few years around the WTO accession. It makes regulatory bodies add an international dimension to their agendas and activities. More importantly, it acts as a means for transforming China into a complete market economy, in which the state has sought to regulate the media market at the macroeconomic level, rather than the microeconomic level.

### 5.1 Bureaucratization of a Triple-Actor Framework

When China began to embrace the market-oriented economy and integrate in the global community, it restructured the political, economical and social functions of governmental institutions. A developing regime like China needs greater economic efficiency in the public sector. However, it must be balanced against the needs to ‘create some of the predictability, universality, and probity associated with Weberian bureaucracy.’(Peters, 2000: 7) Before the 1990s, the CPD was in charge of newspapers, magazine publications, political science curriculum in the schools, the arbitration of copyright disputes, as well as education, sports, and health. This authority has been provided by the Central Propaganda and Ideological Work Leading Group, which was made up of roughly half a dozen senior officials (Interviewee 1; Hsiao and Cheek, 1995: 153-168). However, the ruling CCP has been driven by market forces to reform the state institutions. Its goal is to separate the functions of Party from those of government. After the Fourteenth Party Congress in November 1992, the governing functions were gradually returned to the respective government institutions under the framework of



political reform named ‘separating party and government functions (*dangzhengfenkai*)’, though it initially stemmed from the one at the Thirteenth Party Congress in 1987. According to some insiders, the first step was the separation of decision-making. It included abolition of the practice of party secretaries without government positions being in charge of government work, abolition of the concurrent holding of the top government positions by the top party leaders at different levels, and restructuring ministries into a more efficient administrative framework. The following step was the separation of the organization and personnel system. The reform included the abolition of the party leadership group in the government, and of nonparty organizations; abolition of the party-related departments in every level of the government departments and bureaus; abolition of the party leadership group system in enterprises, and adjusting the party’s personnel management system (Pen, 1995).

In this way, the two sets of functions of media governance assumed by the ruling CCP and the government have been clarified. The government is in charge of the issues of technology, regulation, and administration; the party controls programming policies, content, and reporting themes. Under the supervision of the State Council, the media administrative system includes the Ministry of Culture, the Ministry of Broadcasting, Television, and Film, the State Media Publication Office, the Academy of Social Sciences, and the Xinhua News Agency; under the Party Secretariat, it includes the Propaganda Department, the *People’s Daily*, and *Qiushi* (Interviewees 1 and 2).

The National People’s Congress (NPC) is one of the leading roles in the three-cornered power game, in which the Party, the government and the NPC institutionally play their individual roles in terms of policy-making, state governance,

ideological control, and so on. After many bargains in the annual national conference from 1992 to 1997, the Party-government separation and the expansion of congressional authority gradually jumped to the top of the agenda. Congresses share some policymaking power and slightly weaken the Party control over the government (Interviewee 42; Yang Fengchun, 2002). The NPC with increasing power has become a critical institution for media legislation, though it has to closely follow the Party line. To some degree, it has created a sophisticated legal system of regulations and laws on media industries since 1992. The protection for intellectual property rights (IPRs) is a good example. One of the complaints against China from TNMCs and other international institutions like Microsoft is the weak protection of intellectual property rights (IPRs). China committed itself to implement the TRIPs Agreement soon after its accession to the WTO without a transitional period. In order to comply with these rules the NPC, rather than the CCP, accelerated its legislation on media regulations and relevant laws. The Patent Law, the Trademark Law and the Copyright Law had been revised before 2001. Under the supervision of the NPC, the State Council amended or enacted regulations on IPRs, including the Regulation on the Protection of Computer Software, the Provisions on the Implementation of the International Copyright Treaty, the Regulations on Customs Protection of Intellectual Property Rights, the Notice on the Interim Regulations on the Protection of Copyright of Books and Magazines, the Detailed Rules of the Interim Regulations on the Protection of Copyright of Books and Magazines, and the Regulations on the Administration of Audiovisual Products. In addition, there are other applicable administrative regulations and ministerial rules constituting a TRIPS-compatible IPRs regime. For instance, the amendments to the Copyright Law in 2001 clarify the payment



system by broadcasting organizations that use recorded products. The Regulation on the Internet was also made in 1996 by the NPC. Therefore, the CCP is not the only authority involved in governing the media industries. The weight of the NPC and the legislation becomes obvious, demonstrating a sign of rule by law in China. In the words of a Chinese saying, it is becoming a kind of 'political civilization' (*zhengzhi wenming*) (*Xuexishibao*, 2003).

The legal arrangements define the roles of the NPC, the State Council and the CCP, clarify the governing functions in different governmental institutions, offer the legal definition on the relations between economic actors in the marketplace, and provide the resolution for economic disputes. Take for example the dispute between the *Southern Metropolitan Paper* and *Shenzhen Media Group* in Spring 2001. Fearing its rival's rapid expansion in Shenzhen market, the *Shenzhen Media Group* banned the sale of the *Southern Metropolitan Paper* in Shenzhen's newspaper booths. The *Southern* applied for mediation from Guangdong media administrations, rather than the CCP committee, and finally regained access to the Shenzhen market under legal protection (Interviewee 48).

The roles that the CCP, the NPC and the government play in media governance have become clearer since 2003, when China promoted an aggressive media reform to establish a new media system in accordance with the so-called 'complete market economy' (*People's Press*, 2003). On the one hand, the reform is to create a macro management system, which refers to a system 'led by the CCP, administered by the government, self-regulated by industrial associations, and self-operated by media units'. The government ministries govern individual media industries by providing policy frameworks at the macro level, and not interfering with concrete operations in individual



media units. The different media industries are required to establish their own associations to regulate their industrial issues and resolve business issues with foreign counterparts. These associations are agents between the state and the market. Media units become independent bodies in the marketplace with operational autonomy. This framework of media reform clarifies that China's media governance employs a market macro management model, in which the party and government bodies no longer interfere with the day-to-day management in individual media units. In other words, the reform aims to remove the centralised planned approval model that the party and government previously used to control all media operations. On the other hand, the reform aims at establishing a micro system, in which news media units are divided into two categories. One is the public service units, which are non-profit-oriented organizations sponsored by the government. The other is the commercial units. Except for some key mouthpieces of the Party and the state, all media units are required to become commercial units, and the government allows them to operate through various means such as listing on the stock market, merger-acquisition, and privatization (Liu Binjie, 2004:25-58). In addition, a supervision system is set to clarify the media supervisors, who must completely draw back from day-to-day management in media units. According to Xu Guangchun, the separation of governing operations and managing operations does not mean that the media groups, television stations, radio stations, and newspapers are not administered by the government. Instead, the government deals with the regulatory issues, while the media units manage their own operational business (Xu Guangchun, 2003). The supervisory bodies of the news media must strengthen their capacity for agenda-setting, supervising media quality, and preventing the loss of state-owned capital (*People's Daily*,

April 10, 2004, p.4).

According to the reform package, government and Party officials have been forbidden to take up any part-time position in newspapers and magazines since 2004. There are several measures to separate the party and the government from the media industries. Separation of supervision and operations (*Guanban fenli*) is important to establish a system of good governance, which refers to the reform in which the party and government organizations withdraw from media operations. In the newspaper and periodicals sector, there are several separations. The first one is personnel separation. No personnel in the media can have any position in party and government organizations. In turn, no official can participate in managing news media. The second is financial revenue separation. The news media have rights of self-operation and independent financial operations (*zizhu jingying, duli hesuan*). No organ of the party and government can claim any fee from the news media, as well as transfer money to media units. The third is that no Party-government organizations can take part in media circulation, advertising, and other media business, via any means such as phone-order, document-order, conference suggestions, and so on. All officials must withdraw from the reporter's station, which are regional branch offices of a news media organization. In order to separate the personnel, distribution and financing of the newspapers and magazines from government and Party organs, a working group made a journey to 20 provinces, regions and municipalities to supervise print media reform (*Xinhua News*, Oct. 22, 2003).

There are some signs that the Party is concerned about the increasing strength of different governing actors. In an interview with a German journalist in December 1998,

Li Peng, the chairman of the NPC, argued that China needs a press law to protect the freedom of the press. Since the regional outbreak of severe acute respiratory syndrome (SARS) in the spring of 2003, the State Council has been entrusting legal experts with the task of drafting a regulation on publicizing government information -- the first rule in China designed to make government work known to the public. The new rule conforms to the trend of globalization where governments are expected to release their information as widely as possible. It is also in line with the World Trade Organization's requirement on the transparency of domestic policies.<sup>10</sup> The regulation, of course, needs to have strict penalties for officials who deliberately prevent the public from knowing the facts; otherwise it might be seen as a worthless scrap of paper. The government of Zhuhai in Guangdong Province has been testing a regulation of press supervision since 1999. In Changzhi, Shanxi Province, with the support from the Party secretary, the local Party newspapers criticized its vice-mayor by name on March 31, 2001 (Gong Dewang, 2004:3-15). Overall, a few media academics and professionals believe that the Chinese journalism system should have some innovations. In May 2003, the *Regulations of Shanghai for the Opening of Government Information* was promulgated. According to this local regulation, government information relating to the economy, social administration and public services are supposed to be made public, except for six items with the nature of national secrets. All citizens, corporations and other organizations have the right to make inquiries to the government. Official information must be disseminated to the public in the form of bulletins, newspapers, magazines, government websites, press conferences, radio, TV, and public reading rooms (Wang Ruyue, 2003). These

---

<sup>10</sup> Source: 'Rule to Disclose Government Information', on the official website of the PRC, at <<http://www.china.org.cn/english/government/43994.htm>>, access on May 5 2004



arrangements produced an increasing source of reference and greater governmental transparency, making media governance more institutionalized.

The press law is reset on the NPC's agenda. After the delay in the media law because of the Tian'anmen Incident, proposed legislation creating the first Media Law was been put forward again by 95 deputies to the 9th NPC in early 2000. The incumbent 9th NPC Standing Committee has put the legislation on its five-year work agenda (*Xinhua News*, Dec. 28, 2000). *'The Developmental Strategies of Press and Publication from 2000 to 2010'* by the SAPP also shows that 'the legal construction in press and publication by 2010 should establish a legal system for the news media, regarding "Publication Law", "Press Law", and "Copyright Law" as the core.' (Interviewee 42)

Although the press law is still lacking, the private property right is finally protected by the latest revised Constitution in March 2004. Some argue that the delay of press law by the Party could not last forever because the force of Chinese civil society is increasing much more than anytime before. More importantly, legal 'reform' is a hot topic in current politics (Williams, 2001:165). According to market-oriented analysis, economic competition would produce a marketplace of ideas with appropriate diversity (Entman and Wildman, 1992: 5-19). Following the right track toward the market economy, the propaganda messages may be reduced, though they may not disappear. The rights of news media may be well protected in a society with the rule of law.

## 5.2 Specialization of Administrative Institution

Specialization of administrative institution refers to the process of institution building in which special regulatory bodies deal with special media governing issues. Its

aim is, as a party official emphasises, 'to enable the administrations to sustain a technically proficient management according to social demand.' (Interviewee 1; He Xiaoming, 2004: 173) Regarding the media as an industry, a separation of 'content' from 'distribution' would desire special regulatory bodies. Institutional bodies of media governance include state ministries and state and local bureaus. The administrative structure at the national level is replicated more or less at local levels. Every province and municipality has its own bureaus under the dual leadership of the Party and the government. But the State Administration of Press and Publications (SAPP) does not have offices below the provincial level. This specializing process has weakened the monopoly of party hegemony and modified the context in which bargaining over media-policy-making occurs. It is a process whereby the power groups within the CCP and the government manage the major redistributions of funds and power involved in the transition from centralized planning to market competition. The aim of this administrative reform is to restrain and maximize bureaucratic power. In this process, the monopoly power of the CPD has slightly weakened; the other special regulatory bodies, such as SAPP, enjoy more administrative power.

In the print media sector, the SAPP was established in 1987 at a semi-ministerial level, but it was upgraded to ministry level in 2001, when reformist Premier Zhu Rongji promoted liberalization policies in the media sector. The main concern for the upgrading is to deal with incremental issues about TNMCs in the Chinese media market in the post-WTO years (Interviewee 41). The SAPP's duties are to draft and enforce press regulations and policies, license publications, and monitor texts. Under the supervision of the CPD, this government agency could not exert authority over central Party newspapers



like the *People's Daily*. However, it has the right to govern the print market throughout the country. For instance, it approves the expansion of a media publication schedule for any print media from national to provincial levels. In order to regulate the flourishing print media, the SAPP developed into a ministry bureau in April 2001 under the supervision of the State Council. According to the agreements with the WTO, China promised to open its publications retailing market within three years from 2001, and it did so in May 2003. From 1987 to 2000, the SAPP enacted 25 administrative laws and principals to guide the development of media industries. For instance, '*The Temporary Principles of Newspaper Management*' issued on December 25, 1990 and '*The Ordinance on Publication*' issued on January 2, 1997 act as governmental and industrial laws.

In the audiovisual sector, the Ministry of Radio, Film, and Television (MRFT) replaced the Broadcasting Bureau in the early 1980s, but it was downgraded to a semi-ministry bureau as the State Administration of Radio, Film and Television (SARFT) in 1998. The SARFT has a dual identity as both a news organization and a broadcasting administrative bureaucracy. It is in charge of the three national broadcasting networks of China National Radio (CNR), China Central Television (CCTV), and China Radio International (CRI). The SARFT controls their programmes via its editorial board. This board includes deputy ministers, heads of the three radio and television networks, and leaders of other departments, such as the Film Bureau, the Broadcast Publishing House, and the Television Arts Committee. Its duties include delivering Party and government directives to the news outlets, drafting strategies for carrying out these directives, organising and coordinating large-scale media campaigns, approving major media



activities, propaganda plans, programme changes initiated by the broadcast networks, and exercising editorial control over important news items and programmes. The SARFT is also in charge of every aspect of the country's broadcasting operations, such as issuing regulations, setting technical standards, training personnel, and coordinating research, playing its part in a huge government bureaucracy (Anke and Rowan, 2002: 18).

In terms of the electronic media sector, three generations of regulatory regimes appeared in the 1990s (Tan, 1999: 261-276). The first one was a fragmented structure before 1994, including the Ministry of Post and Telecommunications (MPT), and its rival ministries, such as the Ministry of Electronic Technology (MET), the former Ministry of Radio, Film and Television (MRFT). The second regime during 1994-1998 was a transitional organization, which was the National Joint Conference on State Economic Information. The third emerged in March 1998. At the first Session of the Ninth People's Congress, the Ministry of Post and Telecommunications (MPT), the Ministry of the Electronic Industry (MEI) and parts of the Ministry of Radio, Film and Television (MRFT) merged to form the Ministry of Information Industry (MII). The State Council's Steering Committee of MII has been integrated into a newer super-ministry. The tasks of establishing a new ministry are to oversee the governance of Chinese communication networks, and to coordinate state policy on construction and governance of electronic media as voice, video and data technologies converge. Subsequently, the government split-up *China Telecom* to establish *China Mobile*, *China Unicom*, *China Netcom*, *Rail.com*, *Jitong*, and *China Satcom* to encourage competition in the different sectors of telecoms, including fixed-line, mobile, data, paging, and value-added services.

The Central Propaganda Department (CPD) under the CCP is in charge of all

ideological supervision. It plays its role by agenda-setting. Two bureaus named the Publication Bureau (*cuban ju*) and the News Bureau (*xinwen ju*) act as censors. Each of them mainly consists of three offices, which deal with the issues of newspapers, publication, and content censorship. Within the CPD, there is a team dealing with the issues raised by the transnational media corporations. It is located at the Publication Bureau, and it is comprised of several members who are good at foreign languages. Some have been trained in the West. The Ministry of Culture and the State Press and Publication Administration retain an interest in editorial matters, as do propaganda departments at all levels.

In April 1996, the *Administration of the Release of Economic Information in China by Foreign News Agencies and their Subordinate Information Organizations Provisions* were enacted. Accordingly, Xinhua News Agency became the authority to govern the release of economic information in China. No foreign news agencies and their subordinate branches can distribute economic information in China without official approval. Thousands of Chinese subscribers to foreign news services like Reuters and Dow Jones are required to register with Xinhua. Hence, Xinhua plays a role in filtering news that is forbidden or that slanders or jeopardizes the Chinese national interest. According to some insiders, the main reason for that is political consideration on information control and intentional protection of a domestic monopoly. (Interviewee 6)

The intellectual issues are supervised by the China Intellectual Property Office, which is under the State Council.

Under the State Council, there is a special office to manage information publicity. Although it is not a regulatory body, it always stipulates that some orders should be

issued by the other regulatory bodies like the Propaganda Department. According to the *Administration of Foreign Reporters and News Organizations Stationed in the PRC*, which was promulgated by the State Council in January 1990, the press department of the Ministry of Foreign Affairs is the authority in charge of the activities of foreign reporters and news agencies in China, such as sending accredited reporters, establishing news branches, or interviewing key Chinese leaders, and so on.

Each of the ministries established a special bureau responding to the issues raised by TNMCs. But there are conflicts between ministries. The MII and SARFT are battling out a turf war. The SARFT is anxious not to cede any further power to the super-ministry, while the MII is aiming at controlling all information networks including those of the broadcast industry with its cable holdings (Anke, and Rowan, 2002:18). The idea of policy convergence within the new MII organizational system tried to eliminate the bargaining model in which numerous players are challenging for a slice of the new information infrastructure. The SARFT, together with its ideological head of the Central Propaganda Department, sees itself as an important player in the lucrative cable television industry. The specialised administration under commercial media operations at times means that each executive branch fights for its own interests rather than working together for combined solutions.

### 5.3 Professionalization of Media Staff

Together with bureaucratization and specialization of media governance, the concept of professionalization of media staff, to a great extent, has much wider implications than Nathan's term 'meritocratic', which only means the technocrat replacing the



revolutionists at the centre of the Chinese regime in the promotion of political elite (Nathan, 2003: 6-17). The term used here refers to the participants in the whole governance process, including government information officials, media regulatory officials, institution members, and think tanks, and so on. Since the 1990s, these people have become more professionalised with expertise. They effectively help reduce or even resist the bias resulting from ideological and factional considerations.

First, the governmental spokesmen have been regularly trained in a three-tier government information releasing system. During the SARS outbreak in early 2003, China established an epidemic and health emergency reporting system, which greatly advanced the news releasing system featured by the spokesperson system. The three-tier system features spokespersons for the State Council, all the ministries, and provincial governments. All the central departments have appointed spokesmen and more spokespersons have emerged in cities like Beijing, Shanghai, Chongqing and Nanjing (*Xinhua News*, May 27, 2004). According to Wang Xingming, the director of Human Resource Bureau of Information Office of the State Council, from September 2003, China has trained 900 spokesmen nationwide and the number was expected to reach 2000 by late 2004 (Sheng Liu, 2004).

Second, an increasing number of experts have been promoted to the crucial regulatory bodies. Unlike the previous revolutionists, the heads of media ministries have become more professionalised since the 1990s. The first minister of MII, Wu Jichuan, is a telecommunications expert. Since the 1980s, all presidents of Xinhua News Agency, for instance, Mu Qing (1982–1992), Guo Chaoren (1993 –1999), and Tian Chongming (1999- the present), have a reputation in Chinese journalism. The heads of MRFT (later

SARFT) in the 1990s, Sun Jiazheng (1994-1997, Tian Chongming (1998-1999), Xu Guangchun (1999-2005), have relevant backgrounds in the media industry. Unlike their predecessors before 1992, most of the media staff-members have good educational backgrounds holding a college degree or even higher ones. Some can speak one or several foreign languages. During the process of professionalization, TNMCs have made strenuous efforts to 'modernise' the media governors. For example, Bertelsmann promoted a programme for the officials working in the CPD in 2001. Several officials were sponsored and went to German media institutions for managerial training. The aim is to 'make Chinese media regulators more open-minded' (Interviewee 20). Sponsored by TNMCs, an official from the Press and Publication Bureau in the CPD was sent to Canada from 2001 to 2002, training in the programme of media management (Interviewee 1).

Third, the status of the media staff has been transformed from semi-official to enterprise employee. After a two-year-long experiment, the media authorities promulgated a decree in 1996, *'The Provision of Further Reform on Personnel in Broadcasting Television and Film Sectors'*. The main aim is to reform the personnel and fund distribution systems, and to establish employment, incentive, and training systems. Accordingly, the current employees have to be transformed from fixed iron-rice-bowl (*tie fan wan*) to non-fixed employed staff; all new recruits are non-fixed employees; the evaluation of employee depends on their performance and position (*gangwei pinyong*), rather than the so-called profession evaluation system (*jicheng pingshen*); individual salary is determined by performance and position (*gangwei jixiao gongzi*).

Fourth, media staff has begun to be trained not only at home but also abroad in

order to consolidate competitiveness. From 1999, Guangdong province selected a few editors and reporters to attend some media institutions and universities in the USA and UK (Interviewee 21). Similar developments have also been taking place in Beijing. Between 2001 and 2008, 20 media practitioners from different media have been and will be sent to British universities for one-year training (Interviewee 8). Some open-minded reformers have accepted the ideas of media professionalization, which transforms the nature of political discourse. It also narrows the discussion to questions of technique and effectiveness that can be approached with detached realism, and changes the performative content of journalism. In this way, the media practitioners in China have more open-minded, professional, and reformed ideas. They grow by being more aware of the role of the press as a watchdog.

Fifth, think tanks in media research institutions have become expressive of diverse viewpoints, replacing the monopoly of Marxist theory.

In short, the professionalization of media participants has gradually resulted in the erosion of the propaganda functions of the mass media. In the existing operation, the media is constituted of two systems. The open (*gongkai*) system of positive propaganda in the media is intended to mobilize audiences to act on party policy. The ideological basis for this mobilizational role for the media can be found in the classic Maoist formulation. People are to internalise the refined version of their own needs as systematized and popularized by the party (Mao Zedong, 1983). The internal (*neibu*) system, which has greatly affected the CCP's decision-making, is to respond to the enquiry and reportage of what the masses are up to and what their problems seem to be. Journalists who produce public propaganda in the open media also make reports in



limited circulation periodicals (some are generally available to officials, the others may remain quite secret) that inform the CCP leadership about social conditions so it can 'refine and systematize' solutions to current problems (Hsiao and Cheek, 1995:76-87). In the 1990s, the profit-oriented commercialized mass media would like to pursue the mass appeal media content and formats, rather than being profit-losing internal media outlets with a small circulation. The increasing channels to access information, both by the domestic and transnational media, cause the officials to be less dependent on the internal media. As a result, the internal media outlets diminished dramatically. The circulation of Xinhua's *Selected Reference (Neican Xuanbian)*, which is an important internal media for the official at township level, decreased to 250,000 in 2003 from 600,000 in the mid-1990s (Interviewee 12). In addition, media workers are aware of the media's role as watchdog are reluctant to write stories for the internal media, because it cannot bring any benefits to themselves.

Moreover, media coverage of meetings and the activities of leaders has been slashed, and the number of reports on topics concerning the daily lives of ordinary people is increasing noticeably. One of the complaints from audiences to the Chinese media is the coverage of meetings and the activities of leaders. For instance, the National News at 7pm on CCTV, receives complaints about being too lengthy and boring. While a certain quantity of media coverage of meetings and the activities of leaders helps people feel the pulse of the country's political life, excessive reports of such kinds can easily bore them. More seriously, it may also give rise to a negative tendency whereby media organizations play down or even ignore the demands of ordinary people while putting too much emphasis on leaders' activities. Such worries are not groundless, given that media

organizations in China tend to devote a large amount of their coverage to the routine activities of leaders and various kinds of meetings. In comparison, reports on the activities of ordinary people and grassroots concerns are far from adequate. The force of reforming the news and current affairs finally prompted a decision approved by the Political Bureau of the Communist Party of China Central Committee in late March 2003 to improve the press coverage of meetings and leadership activities (*China Daily*, April 1, 2003, p.1). Judging from the new leadership's down-to-earth attitude towards work, the professionalization of media participants is not just a mere formality. Instead, it may bring about a healthier way of working in government institutions.

## 6 CONCLUSION

As a starting point, this chapter overviewed the transformation of media institutions in the course of globalization, providing the background for examining deregulation and re-regulation of media policy, de-monopolization of media structure, and de-propagandization of media culture, which will be discussed in the following chapters. The stable, gradual, and predictable institutional transformation toward institutionalization of media governance clarifies the different roles of participants. This chapter examined four principal actors and participants in the media governance. First, there are the politicians who are ultimately responsible for legislative decisions. Second, the civil servants turn broad policy into detailed proposals and oversee its implementation. Third, the regulators appointed by politicians have their rights to manage the media markets. Fourth, the media units are seeking opportunities to promote and protect their interests. All these participants contribute to institutionalization in

China's media governance under on-going globalization. We may expect that the fifth actor, the citizens, would become involved in media policymaking.

This chapter also examined the transformation of governing models in China's media politics. The party and the government control the media at the macro level instead of the micro one. The public units promote party propaganda and social services, while the commercialized media units engage in risk-taking and profit-seeking activities. In this way, the 1990s saw a transitional period for China's media governance in transforming the governing guidelines, the governing bodies, and the governing professionals. In a path of institution rebuilding, which views stability as the first task, the governing system has gradually shifted the power from the few to the many. Under the institutional arrangements, there are a few actors participating in the whole media governance, rather than the Party itself. The stability of any given polity 'depends upon the relationship between the level of political participation and the level of political institutionalization.' (Huntington, 1968:79) In Huntington's sense, when political stability can be maintained in a society, the more political participation it has, the greater complexity, autonomy, adaptability, and coherence the society's political institutions will have. In the Chinese context, the participation of regulators, domestic media players and even transnational media players has been increasing. It has also steered institutionalization of media governance in a stable direction, which is based on the rule of law, rather than the rule of the Party. To emphasize the rule of law as opposed to the rule of individuals is a top priority for political reform, though nowadays China lacks a governing system like that in the West, in which the highest authority is a body of law that applies equally to all participants.



## **CHAPTER FOUR**

### **DEREGULATION AND RE-REGULATION: THE BARGAINS BETWEEN MEDIA ACTORS**

#### **1 INTRODUCTION**

Following the increasing integration into international society and the greater presence of TNMCs, media governance in China is driven toward differentiation and specialization of media institutions, deregulation and re-regulation of media policy, de-monopolization of media structure, and de-propagandization of media culture. The model of media governance has transformed from a ‘leader-determined’ model into a ‘consensus-building’ model, in which there are more participants in media policy-making and increasing governmental transparency. As a starting point, Chapter Three has examined the media institutional transformation, arguing that the model of media control by the CCP and the government has shifted from centralization to limited localization. It means that the ruling CCP has begun to focus its influence on mass media more at the macro level than completely at the micro level; local governments and media units can have limited autonomy to deal with their own issues. Since 1992, China’s media governance has experienced dramatic changes in terms of governing guidelines, bodies, and professionals, responding to the challenges from media globalization.

Following the discussion of regulatory institutional transformation, this chapter will explore some crucial questions related to regulation changes, arguing media globalization has had a profound influence on China’s media structure, leading to dismantling the party-monopoly of the media market. In responding to the pressures of

globalization, three factors have induced the authorities to change the media system. They are party logic, cultural logic, and media logic. More concretely, these factors are determined by concerns for media diplomacy, economic growth, and cultural protection. Therefore, this chapter analyses the following questions: To what extent does the institutional transformation affect media regulation in China? How do the regulatory actors affect the outcomes of media policy-making in the globalization era? Do these institutional arrangements affect the TNMCs in China? How do the TNMCs impose pressures on China's media governance?

These questions are significant because the penetration of foreign ideas and practices into China has never been welcomed by the government, though it has imposed heavy pressure on the authorities since the eighteenth century. Foreign imperialist invasions in the nineteenth century raised Chinese sentiments of 'antiforeignism', 'a mass hostile sentiment toward [any] foreign nation' (Chan, 1994a: 70). During the eighteenth and nineteenth centuries when foreign missionaries entered China, they firstly disseminated Christian information in the form of religious bulletins and journals. By adding local news, they later transformed these printed materials into news bulletins for circulating business information such as shipping, demands, needs, and so on. After the Opium War, several papers and periodicals were available in Chinese and foreign languages. Because of their aggressive political, cultural, or social tendencies to encourage Westernisation in China, the foreign media were impeded by legal barriers set up by the Chinese authorities. Moreover, they were also invoked by local opposition parties or organizations to promote their revolutions, such as Sun Yi-wen's anti-Qing-Dynasty revolution, Mao's anti-Guomindang communist revolution, and the

1989 student protests. As a result, the authorities have established strict regulations to control and limit the penetration and expansion of foreign media in Chinese society. This control reached its apogee during the Cultural Revolution from 1966 to 1976, generating 'an extreme form of cultural protectionism' (Chan, 1994a: 70). Only after China entered the United Nations in the 1970s did the waves of anti-foreignism begin to ebb. Since then, Western programming has been an increasingly strong presence in the Chinese media. Consequently, it has exerted obvious influence on Chinese every day life (Lull, 1991). Why did the authoritarian regime, which traditionally fears the flow of diverse information, accept the TNMCs and the freer flow of international programming in general, and Western ones in particular?

This chapter examines the shift of China's media governance toward foreign media after the 1980s in three parts. These examine how 1) the Chinese government flexibly deregulated and re-regulated market entry for foreign and private media; 2) global media corporations penetrated China's media market through their international strategies; and, 3) domestic media operators have been driven to commercialization by deregulation directly from the government and indirectly from globalization. All these are the outcomes of institutional arrangements, which are a combination of party-government forces, domestic media forces, and the foreign media forces. The deeper economic reforms and more open-door policies since 1992 have spurred the regulators to develop a legal infrastructure to attract the foreign investments that the state desired. It resulted in the fleshing out of its legal system and more transparency in its extensive bureaucratic regulations (Lieberthal, 1995: 177). In other words, the changes in regulating the TNMCs and the domestic media are intentional outcomes of institutional arrangements in China's



media governance.

Following the institutional transformation discussed in Chapter Three, this chapter focuses on the regulatory issues raised from globalization and the TNMCs. It argues that the increase in bargaining between different parties, though still lacks stability, shows the model of policy creation has transformed from a 'leader-determined' model to a 'consensus-building' model. This chapter firstly outlines the degrees to which TNMCs penetrated the Chinese media market. Secondly, the case of News Corporation is presented to probe how the TNMCs penetrate and break down the CCP's restrictions. Following on from this, the existing intertwined media logics in media governance are discussed. Finally, the interactions between different actors are addressed and a concluding remark is given.

## **2 THE INSTITUTIONAL DEREGULATION**

Since the policy of the central government was redirected from a planned economy towards the 'socialist market economy' in the late 1970s, the social role of the Chinese media became more complicated. Previously it had only one role as a governmental instrument of 'class struggle'. The deregulation of market entry for the TNMCs has become an important theme in media governance since 1992. The process can be roughly divided into four stages: the programme import stage, the transnational broadcasting stage, the foreign capital penetration stage, and the open-sky stage. The transformation of different stages, to a significant extent, has resulted from the interactions between participants, including international institutions, the CCP, the government, TNMCs, and the Chinese media.

## 2.1 1992-1999: The Programme Import and Transnational Broadcasting Stage

The internationalization of Chinese communications reflected the political climate. The period 1980-1989 is considered as the 'golden years' of Chinese television by most interviewees. The import of programmes was the main channel through which Chinese television could play a part in media globalization. Despite the existence of other communication channels, programme imports were the most influential external factor in Chinese media evolution. The imported programmes not only changed the structure of television content, but also reset the expectations and criteria of the Chinese audiences. In 1980, when China Central Television (CCTV) began to broadcast a series of Japanese cartoons with commercials targeted at children, the percentage of foreign programmes in CCTV schedules increased from 2% in 1980 to 12% in 1992 (Hong, 1998: 71). After the Tiananmen Incident in 1989, foreign television and movies were strictly controlled and greatly suppressed. The Ministry of Radio, Film, and Television (MRFT) responded by cutting in half the number of time slots on CCTV that were designated for imported programmes (Chan, 1994a).

The economic reforms entered a new stage in 1992 when Deng Xiaoping called for developing a market economy without reference to socialism or capitalism.<sup>1</sup> Apart from the new economic environment, the new technology also provided opportunities for the Chinese television to integrate into international society. The satellite AsiaSat-1 launched in 1989 began to transmit the signals of CCTV to the remote areas of China (Huang and

---

<sup>1</sup> Most of interviewees in the CPD, SAPP and Xinhua News Agency would like to quote the similar phrase expressed by Deng's Talk when it comes to its impact on media industries after 1992.

Green, 2000:274). It also introduced foreign satellite television into Chinese families. Along with the development of satellite broadcasting, cable networks in China grew fast in the 1990s. In 1998, there were 2000 cable stations in China, providing services to about 80 million households, accounting for 34.5 percent of total television audience (Wei, 2000: 333). The community cable networks and the satellite dishes in China created a great potential market for transnational satellite broadcasting. Murdoch's STAR TV, through AsiaSat-1, could reach 4.8 million Chinese households (Chan, 1993:21). Its Phoenix Chinese Channel became the 'most watched channel' with a 7% audience rating in Beijing in 1998 (Wei, 2000:340). Compared with programme importation, transnational broadcasting provides more alternative programming without the filtering of censorship for the Chinese audiences. These programmes always have different ideologies and political views.

## **2.2 1999-2001: the Foreign Capital Penetration Stage**

The Chinese media authorities relaxed entry restrictions on information technologies for the sake of keeping up with the information revolution in developed countries. From the late 1990s, a huge amount of investment, mainly from the USA, flooded into China in the telecommunication and digital media sectors. Some of them established news websites. Good examples are '*sina.com*', '*sohu.com*', and '*ease.net*', in which American companies invested, and have become the most popular web sites in China. All were Top Five websites between 1999 and 2003 (CNNIC, 2000,2001,2002,2003,2004), and they are listed on the American NASDAC market. From the 1990s, the American-based International Digital Group (IDG) increased investment in China after its first step of



200,000 US dollars in 1980. Cooperating with the Ministry of Electronics Industry, IDG's *Computer World* was the first newspaper with an official licence from the SAPP. At its peak, it had a circulation of 200,000 copies in 2000. By 2004, the joint venture of IDG has 16 magazines and six of them are listed in the top ten magazines with the largest advertising revenues in the market (Huang Shengmin, 2003: 238). Bertelsmann Intel established a joint venture with the official China Technology Publishing Company in the early 1990s, becoming the first TNMC involved in the publication sale market. In the late 1990s, international media barons, such as AOL-Time Warner and the News Corporation, were keen to explore the Chinese television markets, though the government still kept foreign capital out of television stations. For instance, 'Golden Continent', one of the largest programme-production companies in China, was co-founded by News Corporation and China Tianjin Television Station in 1994 (Interviewee 9). Viacom has cooperated with 30 cable stations in terms of music, children's, and entertainment programmes (Li Yifei, 2003: 170).

### 2.3 Post 2001: Open-sky stage

Under the bilateral agreement signed between the PRC and the US on China's accession to the WTO, the number of foreign film imports is expected to increase from 10 to 20 per year and soar to 50 by 2004 as long as they conform to China's '*Regulation on Film Management*' (Xinhua News, June 30, 2001) By early 2004, China has permitted 31 foreign channels to broadcast – though only to hotels of three stars or above and to approved housing compounds (*People's Daily*, Feb. 9, 2004, p.5). TNMCs are officially allowed to invest in the production, distribution and promotion of film and television

drama. They are also permitted to hold less than 50 per cent of shares in Chinese media companies. Moreover, China allows limited foreign channels to direct broadcasting in Chinese society. In November 2001, an entertainment channel 'Xingkong Satellite Channel' (*Xingkongweishi*), which belongs to News Corporation, made its debut in Guangdong Province through the provincial cable network (Yu Wen, 2002). One month before, China Entertainment Television Broadcast Ltd. (CETV), a standard Chinese-language entertainment channel of AOL Time Warner, became the first foreign TV channel to be granted cable television operation in China. CETV is also permitted to expand its distribution, beyond its previous base of cable homes in Southern China, to hotels and other authorized recipients across the Chinese mainland (*Xinhua News*, April 1, 2003). It is a symbol of Chinese television entering a new era, in which the domestic media encounter face-to-face market competition with international media giants. Under this institutional arrangement, it would be predictable that profound changes may take place in the Chinese television industry within a few years.

A bolder governmental arrangement was launched in early 2004, which lifted the official ban on foreign investment in television and film production companies. According to the SARFT, minority stakes in Chinese production companies can be held by 'strong and influential' foreign companies. Before that, China allowed foreign and domestic companies to cooperate on films and television programmes. The state-owned CCTV set a timetable to spin off a production company to be listed on overseas markets (Interviewee 7). From October to November 2003, the SARFT promulgated four decrees (Decree 18 to 21) in the film sector. According to Tong Gang, director of Bureau of Film in the SARFT, these decrees give media practitioners more autonomy to operate

their business. Decree No. 18 deregulates the centralized approval system and empowers local administration to approve film products. Decree No. 19 enables all media players, including state-owned, private, and foreign studios, to enjoy the same status in film production. Decree No. 21 allows foreign media companies to own a greater share in the cinema sector (*New Capital Paper*, 2003: 3).

Table 4.1    Foreign Satellite TV Approved by China (1993-2003)

Foreign Satellite TV Channel	Owner	Country or Region
CNN	Time-Warner	USA
HBO Asia	Time-Warner	USA
CINEMA Asia	Time-Warner	USA
CNBC Asian Financials	ABC	USA
ESPN Asia	ABC-Disney	USA
MTV Asia	Viacom	USA
NGC Asia	News Corp.	USA
STAR Movie	News Corp.	USA
AXN	Sony Entertainment	USA
DISCOVERY	ABC	USA
HALLMARK Movie	Hallmark	USA
BBC WORLD Service	British Broadcasting Corporation	UK
NHK-World Premium	NHK	Japan
JETV	Japan Entertainment TV	Japan
NHK-1	NHK	Japan
NHK-2	NHK	Japan
Phoenix Movie	Phoenix TV	Hong Kong
TVB8	TVB	Hong Kong
TVB Galaxy	TVB	Hong Kong
Sun	Sun	Hong Kong
NOW	Tom.com	Hong Kong
Phoenix Chinese	Phoenix TV	Hong Kong
STAR SPORTS	News Corp.	USA
CHANNEL[V]	News Corp.	USA
Macao Travel	Macao Satellite	Macao
Five Star	Five Star Media	Macao
Five Star [Asia]	Five Star Media	Macao
CETV	Time-Warner	USA
Phoenix Satellite Channel	News Corp.	Hong Kong
B-sky-B	News Corp.	UK

Source: Huang Shengmin and Zhou Yan (ed.) *Zhongguo chuangmei da bianju*(The Great Change in China’s Media) (Beijing: Zhongxin Press, 2004),p.16; Personal interview with an official of the SARFT, July 18 2003.

The trajectory of media policies since the 1980s, particularly since 1992, demonstrates that the neo-liberal camp has successfully broken down the regulatory barriers in the media sector. All media giants worldwide have established their networks



in China by early 2004, including News Corp.'s STAR, Xingkong, Phoenix, Time Warner's CETV, Viacom's MTV, Disney's cooperation with Haihong, Vivendi's alliance with Tangnong, and Bertelsmann's book club around China. According to some interviewees, there are 200 channels applying for licenses to broadcast in China, after the 31 channels including CNN successfully got permission to broadcast in up to 3-Star hotels in early 2003 from the SARFT. TNMCs, including publishers of the press, the cable television, independent producers, broadcasting facilities companies, and financial investors, are looking for new investment opportunities in China. Although there is intense competition between them, they share a common goal--breaking up the Chinese party-monopoly and establishing a regulatory framework that would be favorable to commercial enterprises.

### **3. MEDIA DIPLOMACY: CASE STUDY OF RUPERT MURDOCH**

Although media tycoon Rupert Murdoch, who has a stake of about 30 per cent in News Corp., succeeded in America, South America, and Europe, his path toward the Chinese market has not been straight but has zigzagged. Before he came to the Asian market, China permitted satellite broadcasting in some given areas. On July 26, 1993, News Corporation purchased a 63.6 percent stake in STAR-TV from Hutchison-Whampoa, and finally took full control in July 1995 (Lynch, 1999: 184). He ambitiously asserted in September 1993,

‘The advances in the technology of telecommunications have proved an unambiguous threat to totalitarian regimes everywhere. Satellite broadcasting

makes it possible for information-hungry residents of many closed societies to bypass state controlled television.’(quoted by Lynch, 1999: 185)

This assertion infuriated the Chinese authorities. No more than a month later, the government adopted Decree No. 129 of 1993 to constrain satellite broadcasting, forbidding individuals from owning satellite dishes. The purpose of the decree was self-evident, trying to erect barriers to transnational satellite broadcasting. As a media businessman, Murdoch soon adjusted and operated as a ‘friendly partner’ with the communist government. It is a significant condition imposed by the CCP’s Propaganda Department on market entry for a TNMC (Interviewee 1). In February 2004, Murdoch softened his tone in public,

‘We need to be far more aggressive in helping China confront and come to grips with its deepening AIDS crisis. We need to encourage China to develop institutions that strengthen the rule of law. We need to support and engage grass-roots organizations in China – groups such as NGOs – that affirm civil society by tackling such problems as environmental pollution and local corruption. And we need to help China more effectively combat the rampant piracy of intellectual property that left unchecked will undermine the business models of creative companies worldwide.’(Murdoch, 2004)

The case of Rupert Murdoch shows that there are three ways for such media moguls to exercise diplomacy and economic power in China.

Firstly, a good relationship with the Chinese authorities is obviously significant.

When operating media businesses in the UK and USA from the 1970s, Murdoch hired some super-lobbyists to persuade the media authorities for the sake of official recognition in target markets (Hutchison, 1999:32-35). In China, he employed public relations staff to ride out the controversy, appealing to key figures in the CCP's power elite, such as Deng Xiaoping, Jiang Zemin, and other leaders. In February 1995, Murdoch hosted a press conference in New York, introducing Ms. Deng Maomao, the daughter and biographer of China's paramount leader, Deng Xiaoping. HarperCollins, the publishing arm of Murdoch's News Corp., bought the worldwide rights to publish the book, *My Father Deng Xiaoping*, for an undisclosed fee. When Deng Xiaoping died in 1997, Murdoch broadcast a documentary series made by the Chinese government, eulogizing the most prominent Chinese reformer. Other members of Deng's family, for instance, Deng Pufang, were generously welcomed in sponsoring overseas visits, supporting their activities, and even lobbying foreign institutions to cooperate with them (Street, 2001:172; Hutchison, 1999:34-35). In the post-Deng years, Murdoch built up a close relationship with President Jiang Zemin, the top figure of the third generation leadership. The following facts illustrate the close connections between Murdoch and Chinese authorities.

- On December 10, 1998, Murdoch met Jiang Zemin, along with Ding Guangen, the director of Chinese propaganda and ideology (*People's Daily*, Dec.11, 1998, p1).
- On September 5, 2000, he had breakfast with Jiang Zemin when Jiang officially visited the USA (*Xinhua News*, Sep.5, 2000).
- In January 2001, Jiang invited Murdoch to visit China annually as they met



in Beijing (*21st Century Economic Herald*, Mar.24, 2002,p.3). Murdoch also had a warm welcome from Tian Chongming, the President of Xinhua News Agency. Tian relaxed the restriction on film exports in 1998, allowing 10 foreign films to be showed in Chinese cinemas annually.

- In October 2003, Murdoch met Li Changchun, the new director of propaganda and ideology in the CCP. He also visited local governors like Guangdong's Zhang Dejiang and Shanghai's Chen Liangyu, trying to persuade them to open the Chinese media market in terms of programme producing, digital television, and expansion of his STAR TV (Interviewees 1 and 2).

To consolidate the public relations with the Chinese authorities, Murdoch employed sponsorship in meaningful ways. In 1998, he donated one million US dollars to the flooded areas in the south of China. In the years 1995 and 1999, *The Times*, a paper of Murdoch's News Corp., sponsored exhibitions of ancient Chinese art in London. In 2003, Murdoch funded a chair in communications at the University of Qinghua. According to an insider, Murdoch's sponsorship depends on the influence of the sponsored organization in China's politics (Interviewee 22).

Second, Murdoch, together with his family members, has never taken ideology seriously, though he identifies himself as a conservative. The standing point of his activities, even his marriage with a Chinese woman Wendi Deng, mainly stems from his business interests (Interviewee 22). His youngest son, James Murdoch, described the outlawed *Falun Gong* movement, for the suppression of which China has been

condemned as seriously infringing human rights, as ‘dangerous’ and an ‘apocalyptic cult’ in February 2001 (Interviewee 23; *Fazhi ribao*, 2001). These important ties to the government may have a positive effect in making Murdoch a ‘friendly partner’ for the Chinese authorities. Moreover, Murdoch harnesses his media outlets as a useful instrument appealing to the Chinese authorities. He can abandon the troublesome media outlets that infringe Chinese authorities. Both the BBC World Service and MTV, which often screen unflattering documentaries about China or feature Western-style content, were discarded from his 24-hour news service. He also sold out the anglophile *South China Morning Post*, which often attacks the Chinese regime on democracy. Furthermore, Murdoch placed heavy pressure on his media outlets worldwide, preventing them from criticism of the CCP. In 1998 NewsCorp.’s subsidiary, HaperCollins cancelled the lucrative contract for the book *East and West* by former Hong Kong Governor Chris Patten, in which Mr. Patten criticised the Chinese leadership (Lam, 2000:48). As some commentators point out, ‘this was evidence that *The Times* was being used to improve relations with the Chinese authorities, as News Corporation sought to expand its business in the Far East.’(Street, 2001: 129) In order to satisfy the Chinese government, Murdoch employed a new strategy of content localization, having some channels translated and adapted to Chinese languages, or mainly promoting Chinese programmes. All the programmes are entertainment-oriented. There is no room for the content being controversial for the Chinese government.

Thirdly, cooperating with the Chinese media, Murdoch employs various means to penetrate into China. This cooperation, to some degree, undermines and even dismantles the monopoly of the CCP’s national propaganda media like CCTV (this issue will be

discussed in details in Chapters Five and Six). Murdoch primarily prefers to establish his broadcasting networks in China. After the acquisition of Star TV in 1994, Murdoch holds 40% of the stock of Phoenix TV. All these channels have been permitted to enter the cable networks in Guangdong province in late 2001. Meanwhile, a new Chinese channel, *Xingkongweishi*, was allowed to broadcast in southern China. Murdoch also invested in a Chinese media distribution system. He set up *Chinabyte* in 1994 with the People's Daily (*Renmin Ribao*). On February 17, 2001, News Corp. became a shareholder of *Wangtong*, one of the biggest broadband companies in China. Cooperating with Tianjin Broadcasting Bureau, News Corp. invested 20 million US dollars to establish Tianjin Golden Ltd., in which it holds 60% of the stock. The joint venture mainly provides broadcasting equipment and produces television programmes. Murdoch also runs a company with CCTV and the Chinese Broadcasting Science Institute. The new company soon successfully made a deal with Sichuan Broadcasting and Television Group, one of the four authorities conducting digital television experiments (Beijing, Shanghai, Guangdong, Sichuan).

It is worth pointing out that the partners Murdoch selected are the ones with a strong political background. *Wangtong*, for example, is controlled by Jiang Mianheng, the son of Jiang Zemin. The media mogul always seeks to establish connections with the Chinese authorities. On October 8, 2003, he gave a speech at the Central Communist School, rather than other media institutes, because it is a stronghold of training officials at provincial level, potential Chinese leaders in recent years. Murdoch maintains that cooperating with foreign media in flexible ways has rich implications for Chinese political, social and economic reforms and development,



‘To open up the media market and develop its potential doesn’t mean the government lost its authority. By contrast, as a successful shift of governmental functions from owner and manager of the media industry to supervisor and regulator, both the leaders and the citizen will gain a lot of benefits. China will be one of the media centres if the market becomes more open and liberal.’(Murdoch, 2003:5)

As John Street suggests, ‘while media organizations exist to make money, this is not necessarily their only motivation, and their behaviour cannot be reduced to the cash nexus.’(2001:126) In the case of Murdoch, the influence of TNMCs on the media decision-making can be at times a progressive force, especially as it enters a nation like China, which had been tightly controlled by a corrupt crony-based media system. As an interviewee in the SARFT admits:

‘Of course we know the importance of fairness, equality, and transparency in administration. However, we could not resist the pressures from the key figures [of the CCP]. When it comes to deciding which TNMCs can have the right to enter the Chinese media market, we have to take into account the figures’ preferences. We know it is unfair that we prohibit Chinese private media players from owning a television channel, while we allowed Murdoch to establish a new channel [in the Chinese media market]. However.....we have to follow the phone-call order from the Jiang’s office.’(Interviewee 24)

The other media giants, such as Viacom’s Redstone (Li Xi, 2004:8), share goals in

common with Murdoch in negotiating with the government to gain so-called 'mutual benefits' (Zhou Wei, 2002: 114-155). Their strategies, primarily based on business incentives, attempt to blur the distinctions between 'foreign' and 'local'. At the current stage, they make concessions to the authoritarian government. Gerald M. Levin, Chairman and CEO of Time Warner Inc., put it clearly at Fudan University in January 1998,

'I am a realist. The differences among cultures and nations that arise from varying economic circumstances, belief systems and historical experience aren't about to disappear. To some extent, they are inevitable. What isn't inevitable, however, is that these differences become distorted and embittered by caricatures or simplifications... as I see it, global media and entertainment companies have an indispensable role in allowing us to see one another not as stereotypes or faceless adversaries, but as people who, for all their differences, share the same planet and the same destiny.' (Quoted by Demers, 2002:58)

This realist standing point has contributed to their media prosperity. For instance, Time Warner has become the first official licensed foreign broadcaster in China, with Viacom negotiating a big deal selling MTV to 37 Chinese cable channels (Interviewee 25). In contrast, any action bypassing the party-control may generate serious results. The reason for the abortion of AOL-Legend co-operation in 2001 was that AOL tried to negotiate with Chinese partners bypassing the media authorities (Interviewee 25). For the media players who lack flexible diplomacy skills, they may have no opportunity in this market. AOL's CETV won the right to broadcast in Guangdong in late 2001, but it lacked

skillful political appeal. CETV was not willing to localize its programming and it was not allowed to broadcast on as many cable stations as News Corp's *Xingkongweishi*. As a result, CETV ran into financial problems not only because of lack of subscriptions but also because of political disputes with local governors. Finally, AOL sold its controlling stake in 2003 (Leahy and Dickie, 2003:18).

## 4 THREE GROUPS TOWARD MARKET OPENNESS

### 4.1, The Party: Establishing a Virtual 'Great Wall'

When it began to import foreign programmes, the CCP was concerned about the long-term political implications. The influence of Western media products, which embody some Western conceptions of freedom and democracy, was recognized as a threat to the CCP's hegemony. Hence, the logic of media governance is summarized by an interviewee in the CPD as a phrase of Chen Yun, 'free the birds in an iron-cage' (Interviewee 1). The logic is now to explore ways to ensure the political correctness and economic dynamism of media organizations under the new circumstances. The authorities give more places for media practitioners in terms of managerial operation, but they are not allowed to challenge the party's bottom line, though that bottom line is often vague or even contradictory. In general, there are two aims in redesigning the media regulations. The primary one is to defend the hegemony of the CCP's ruling power. The other is to protect the national interest.

The introduction of direct broadcast satellite delivery of television programmes was a key technological and industrial development that Chinese media governance



encountered in the 1990s. The CCP has paid much attention to it. Like Malaysia, the Chinese government has been critical of satellite TV, regarding it as a cultural invasion (Ian, 1994:74). Before STAR-TV was launched, China had begun to prevent the import of external television signals. In May 1990, the MRFT, Ministry of Public Security (MPS), and Ministry of State Security (MSS) jointly issued an 'order' that banned the use of dish antennas to receive any signals other than those originating within China, unless official permission had been granted. In late January 1992, one month after STAR-TV's first broadcast, the MRFT and Beijing Public Security Bureau ordered at least 50 hotels in Beijing receiving STAR-TV to pull the plug. After STAR-TV rapidly penetrated Chinese society, the government took a more restrictive stance on foreign satellite television services. Regarding the control of satellite reception as a 'struggle against subversion' and a 'struggle to defend national sovereignty', China banned 'unauthorized reception and redistribution by individuals or institutions, including cable networks, broadcast television, and video centers.' (Chan, 1994a: 69-88) On August 20, the State Council adopted Decree No. 129 of 1993, '*Provisions on the Management of Ground Receiving Equipment for Satellite Television Broadcasting*'. It laid down strict conditions for the production, sale, and use of satellite receivers. In Article 4, production of satellite dishes would be restricted to 'enterprises designated by State Council Administrative departments in charge of the electronics industry'. In terms of the sale of satellite dishes, Article 5 restricts it to 'units designated by the industrial and commercial administrative departments of provincial, autonomous regional, and municipal people's governments in conjunction with administrative departments in charge of internal trade, radio, television, and electronics'. In Article 6, it clarifies that to import preassembled satellite dishes

would require a certificate from the MARFT and that to import electronic components would require a certificate from the Ministry of Electronics Industry (MEI). According to Article 8, units wishing to install satellite dishes would have to first apply to the relevant radio and television bureau, and their application would have to be approved by the provincial-level bureau. Concerning the individual usage, Article 9 lays down that individuals would be banned completely from importing, installing, or using satellite dishes unless they could cite 'exceptional circumstances'. In 1999, the SARFT and other relevant institutes promulgated 28 administrative provisions and rules, in an effort to regulate the media sector and sectors related to the media. In April 1999, the SARFT, the Ministry of Public Security, and Ministry of National Security jointly promulgated a decree to regulate the private reception of foreign satellite television. The authorities banned 61 factories producing satellite broadcasting receivers and 29,500 sets of receivers (Xu Guangchun, 2000:546).

The State Council Decree No. 129 of 1993 banned TNMCs from the Chinese media market. The CCP may have learnt some lessons from the Tiananmen Incident and the collapse of the Soviet Union and Eastern Europe (Interviewee 1). They argue that the collapse of communism in Eastern Europe was partly generated by the penetration of Western media in the late 1980s. Thus, the CCP exerted more strict control on foreign media. The well-known policy, namely, 'Six Nos', was circulated in 1994 by the CPD. It refers to no joint ventures ownership; no shareholding in media organizations; no discussion of a press law; no discussion of the commodity nature of news; no joint ventures with foreign companies; and no openness for foreign satellite television (Interviewee 1; Chadha and Kavoori, 2000: 415-432). On August 11, 1997, the

government adopted '*Provisions on the Management of Television Broadcasting*', which places emphasis on a clear definition of television ownership, production, distribution, and promotion. In Article 51, it focuses on strict control of satellite broadcasting.<sup>2</sup>

After China entered the WTO in 2001, the Chinese authorities insisted on restrictions on foreign broadcasting, but the tone became more moderate. Liu Bingjie, deputy director of the SAPP, argued, 'A few of the 140 WTO members have pledged only limited access to overseas investors in their respective editing sectors.' (quoted by *Xinhua News*, Jan.23, 2003) On January 10, 2004, the SARFT updated a new regulation on satellite broadcasting, *Decree on the Localising of Foreign Satellite Broadcasting*. According to this decree, the SARFT is the institution regulating foreign satellite broadcasting and it approves applications annually from July to September. It also expands the scope of foreign satellite broadcasting in three-, four-, and five-star hotels and foreigners' residences. Moreover, the decree defines the conditions of market entry for a foreign satellite channel, which include the following: 1) the content cannot infringe Chinese laws, regulations, and decrees; 2) it owns the capacity and promises to provide localized services for Chinese broadcasting and television programmes in other countries or regions; 3) the channel and its owner(s) are friendly to China and they aim to develop long-term cooperation with China; 4) it must be distributed by a given governmental cable institution. Article 7 defines the preferred TNMC arrangement as 'only one channel in a foreign satellite broadcasting institution can be in principal permitted to localise in a given area; a news satellite broadcasting channel is in principle not permitted; the channels should cooperate with Chinese partners.' Therefore, this clause is much more

---

2 Not only these provisions but also a few hand-outs by the CCP and government take the ownership of media seriously. The major reason is probably that some domestic media players make claims for media privatization.



negotiable.

For the domestic media, the government has made efforts to consolidate media outlets, and even cracks down on some media units. The media industries in China have been moving in the direction of media decentralization since the early 1980s. In the broadcasting sector, the Director of the SARFT Sun Jiazheng declared at the 1995 National Broadcasting Conference that, 'The central leaders require us to establish systems to regulate the media sector.'(quoted by Xu Guangchun, 2002: 537) In that year, the SARFT restructured 8 television stations because they broadcast some content infringing regulations. The SARFT promulgated 10 decrees, most of which were related to programme imports, cooperation with TNMCs, and the reception of foreign satellite channels. The General Offices of the CCP and the State Council jointly promulgated '*The Opinions on Strengthening Press, Publication, Broadcasting, and Television*' (No. 37 Document) in February 1996. It set an agenda to restructure broadcasting institutions at the county level. It was the first symbol for the broadcasting sector to move back toward centralization. On August 11, 1997, the State Council promulgated '*The Provision of Broadcasting Television Management*'. It is the first administrative rule from the Chinese central government to regulate the broadcasting sector. By April 1998, the total number of broadcasting and television stations decreased to 2218 (including 70 education stations) from 6937. The autonomy of media decision-making in Beijing, Shanghai, Guangdong, Fujian, and Sichuan was withdrawn by the SARFT (Xu Guangchun, 2002: 640-546) The main purposes of these regulations are to develop Chinese media industries, promote economic development, and consolidate party control.

In the newspaper and publication sectors, the SAPP asserts the importance of

strengthening domestic media under the pressures of international competition. To avoid the loss of control resulting from media fragmentation, the SAPP attempted to cut down the numbers of media outlets. From 1995, the SAPP stopped issuing licenses for new newspapers, and publishing houses. The same principle for radio and TV was employed by the SARFT in mid-1996. In order to solve the problems which emerged from media fragmentation, media authorities conducted three reforms on newspapers for the sake of 'overcoming barriers of the planned media industry system' (Interviewee 1). From 1997, the CPD launched a three-year press restructuring programme, mainly focusing on the specialized press and legal press, which have a huge number of media outlets and also overlap in terms of social functions. Dozens of newspapers sponsored by the state banking system were closed (Lam, 2000:48). However, the protection from some press organizations' host ministries and local institutes handicapped the reform. Most of them survived.

The second reform began in August 1998. The General Office of the CCP and the General Office of the State Council promulgated a joint decree called '*The Decree on adjusting the press structure of central national institutions and provinces, municipalities and autonomous regions*' (zhongban [99] 30 hao). Later, the SAPP detailed it as '*The Principles for Adjusting Press Structure with No. 30 Decree*'. The main directions are: 1) in principle the institutions of the party and the government no longer operate their own press. The existing press should be merged with some media conglomerates such as the *People's Daily*, *Economic Daily* and *Guangming Daily*. When content overlaps, they should be combined into one paper; 2) no ministries should operate any newspapers. The existing ones should merge with the party press, or cease; 3) after adjustment, all papers

should be financially self-sufficient, and they are no longer marked by their institutions as ‘institutional press’; 4) each unit under the Central Party and the State Council can only keep one periodical for the sake of supervision of its administration, others should be stopped or merged. The second reform involves all specialized papers, calling for those papers to be financially independent. However, this reform was ineffective. By 2001, only 7 of 39 specialized papers have merged into the party’s media groups. Most papers cannot merge with the local party’s media groups because of their poor financial performance. Some private investors are interested in purchasing these media, but the regulations set barriers for such media investment.

The third reform is the most effective one so far. In June 2003, three regulatory institutions, the SAPP, CPD, and GASP promulgated a joint order called ‘*Provisional Rules for Stopping Newspaper and Magazine Recruiting*’. After generating ministry consensus, a decree from the General Offices of the CCP and the State Council was promulgated, regulating the ministry press, stopping circulation based upon administrative pressure, thereby reducing the financial burden for low-level administrative officials and farmers. There are 1452 newspapers involved nationwide. By March 2004, 677 were stopped, 302 were merged into other media groups, 289 were separated from original administrative institutions, and 87 were changed to free publications.<sup>3</sup>

Some interviewees argue that the CCP reformed newspapers under pressure from the global community and the WTO. Others point out that there is no commitment under the agreements of the WTO in the media sector. The media reform implies that the ruling

---

3 These figures come from a news message by Qu Zhihong, ‘*Meiti Qingli Zhengdun qude mingxian chengxiao*’, *Xinhua News*, March 14 2004.



CCP was shamed by the 2003 SARS epidemic and it unleashed the media to help spread public awareness of SARS as well as to chase up officials who had been slow to take action. After that, however, the CCP has reverted to its old routine and preferences. It is still the only master when it comes to deciding how to feed politically sensitive information to the masses. Having been attacked by the global community for panic at the outbreak of SARS, which resulted from the lack of administrative transparency, Chinese media regulators ended the hesitation and launched a pure news TV channel---CCTV News---on May 1 2003 (Interviewees 1 and 7). The establishment is to prevent losing the lion's share of domestic audiences to the TNMC news channels, such as News Corp.'s Phoenix News. It is also intended to build up a flagship TV news provider in the global Chinese community, and to launch a new wave of media reforms that call for more commercialization (Interviewees 7).

In brief, the party-oriented policymaking functions primarily as a constraint on TNMCs and independent media for the sake of consolidating party control over the Chinese media. As Jiang Zemin stated at the Sixteenth Party Congress in late 2002: 'The press, publishing, radio, film and television must give correct guidance to the public, and Internet web sites should serve as important fronts for spreading advanced culture.' (Jiang Zemin, 2002) Therefore, media control is still a key theme for the communist government.

## **4.2 The Cultural Nationalists: Resisting the 'Cultural Invasion'**

Will the proliferation of TNMC products damage Chinese traditional culture? This question at times provokes nationalist reactions. Media policy is a crucial issue with

regard to nationalism, concentrating on cultural identity. Therefore, cultural protection in media policy has received a lot of concern in European countries such as France and the UK (McQuail *et al.*, 1998).

According to Chinese nationalists, media policy should have a more cultural approach and it should remain an exclusively national competence (Song Jiang *et al.*, 1996; Zeng Huaguo, 1998). In 1990, Li Ruihuan, member of the Standing Committee of the Politburo, suggested that a funding system should be created to guarantee the correct political ideology in Chinese cultural production. Following Li's speech, the National Film Development Special Fund was established in 1991. The crucial mission of this institution is to promote films of the so called 'Mainstream melody (*zuxuanlu*)', which uphold patriotism, socialism, and the party line. The number of such films increased from eight in 1991 to nineteen in 1992 and 1994. During the 1990s, the policy of 'political orientation of art for socialism and for the people (*wei shehui zhuyi fuwu, wei renmin fuwu*)' and the 'double hundred (*shuangbai*)' policy ('let a hundred flowers blossom and a hundred schools of thought contend' (*baihuaqifang, baijiazhengming*) were promoted. One fifth of domestic film production (30 of 150) must be from the 'Mainstream Melody' (MRFT No. 3, 1993). In 1995, a regulation held that no less than 15 per cent of total film distribution and screen time should be reserved for such films. In 1996, the MRFT proposed a '9550 Project' (*9550 gongcheng*) for the purpose of producing ten films of 'High Quality (*jingpin dianying*)' between 1996 and 2000. In order to fulfill this task, the MRFT established five subsidiary measures, including a requirement that no less than 3 per cent of the revenue from television advertising should be contributed to 'Mainstream Melody' films (MRFT No. 125, 1996)(Chu, 2002:47). At the Sixteenth

Party Congress in late 2002, President Jiang Zemin reiterated the importance of defending national culture,

‘During our practice of reform, opening up and modernization and keeping abreast of the latest developments in world culture, we must carry forward the good traditions of our national culture, learn good experience from other nations and make innovations in content and form so as to enhance the attraction and appeal of socialist culture with Chinese characteristics.’ (Jiang Zemin, 2002)

That imports of cultural production heavily exceed exports is called a ‘cultural deficit (*wenhuachizi*)’ by the Chinese media authorities. Although China has most TV stations in the world, its exports of TV programmes in 1999 only reached 10 million US dollars (*Xinhua News*, Nov. 6, 2002). Therefore, China has undertaken an effort to increase its domestic cultural production in the 1990s, and it also tried to increase international media sales and exports. The government has been wary of allowing foreigners access to the media market, as it needs to keep a balance between industry development and the rising influence of foreign culture. Worrying about the influence of multi-national media tycoons in major developed countries, Zhao Qizheng, Director of Information Office of the State Council, urged in the 2002 Bo’ao Forum,

‘The voice of Asia is far smaller than it deserves to be.... Asia cannot depend solely on foreign media to speak for it, because its own media are more connected with the region's interests, values, cultural traditions and beliefs... Asian countries should set up their own strong media for the sake of speaking for themselves, reporting the facts about their countries and speaking out to safeguard



their national interests.’(quoted by *China Daily*, April 15, 2002)

Nationalists fear that global forces are so strong that all Chinese walls that sought to block their entrance would be battered down (Interviewee 51). One of SARFT’s statements maintains that a major task for Chinese television is to ‘protect our own turf by resisting the invasion of foreign television and the infiltration of decadent western culture into our own high quality programmes’ (*Zhongguo Guangbo Dianshi Nianjian*, 1997: 53). The media authorities have made regulations about the ratio between the domestic and foreign programmes on screens. For example, imported programmes on CCTV cannot account for over 30 percent of total airtime. Similarly, the cable television must not broadcast more than the same percentage of imported programmes, and less than 20 per cent in prime time (7pm-9pm). All imported programmes must be politically cleared by the SARFT, and they must be imported through a single agency, the Chinese International Television Service Company (Hong, 1996: 135).

In the power bargaining process, the TNMCs responded nimbly. Murdoch maintained on the CCTV’s screen, ‘I wish to bring good entertainment to them [Chinese audiences], making their lives happier and more wonderful. Of course, I respect Chinese culture and their tastes.’(Interviewee 26) Sumner Redstone, Chairman and CEO of Viacom, claims, ‘We are not cultural imperialists. A major goal of Viacom’s work in China is to help promote Chinese culture in the rest of the world.’(Zeng Huaguo, 2004:203) In practice, TNMCs try to play the role of ‘cultural ambassadors’, signing cooperation agreements with Chinese media, helping to broadcast their programmes in the USA and Europe (Xinhua News, Nov.6, 2002). The promotion of CCTV in the global

market, particularly in North America and Western Europe, enables China to make its voice heard worldwide. On the other hand, Chinese domestic media are encouraged to operate in overseas media markets. As the largest media group in China, China Broadcasting Television Group (CBTG) has an important mission. Its plan is to become a transnational media conglomerate within five years (Interviewee 26). Local authorities, like those of Guangdong province, also encourage the media as cultural promoters beyond national boundaries by exporting cultural and service products. In early 2004, the SARFT promoted its 'Going Abroad (*chuhai*)' policy, calling for establishing more overseas stations, increasing overseas sales, and promoting Chinese programmes (Interviewee 24; Dickie, 2004:10). As President Jiang Zemin stated at the Sixteenth Party Congress, in response to the new situation of economic globalization and China's entry into the WTO, China 'should make the best use of both international and domestic markets, optimize the allocation of resources, expand the space for development and accelerate reform and development by opening up.' (Jiang Zemin, 2002) However, for the media sector, this task could not be fulfilled because of the low quality of programming and outdated values of communism and socialism. In the digital era, the TNMCs have abundant resources and a higher capacity to transmit a small number of Chinese channels. In return, they may penetrate the Chinese media market under the so-called mutual-benefit contract. The 'Going Abroad' policy paradoxically may provide more opportunities for the TNMCs.

The policies of media modernisation have been promoted for economic reforms and for the protection of national culture. Governments mainly consider three economic factors when they make decisions to pursue deregulation. They will see whether the

policy can promote the information technology revolution, attract other industries to invest in the media, and boost the advertising industry (Humphreys, 1996). In the Chinese tradition, the news media are regarded as a powerful tool for publicizing reform policies. In order to compete with the powerful TNMCs, the domestic media practitioners are eager to develop a more efficient communication infrastructure so that they can provide more timely information for their audience. Huge investments, thus, were made in the past decades. After the first satellite broadcasting (CCTV) was launched in 1984, another 18 TV channels were transmitted via satellite in the early 1990s, and nearly 40 transponders appeared in the late 1990s (Interviewee 7). The debate on establishing a pure news channel in the CCTV has lasted for several years, but only when audiences shifted overwhelmingly to News Corp.'s Phoenix Channel on September 11, 2001 did the Chinese media authorities make the final decision on May 1, 2003 (Interviewee 7). The incentive is straightforward, that is resisting the foreign 'cultural invasion'. As Xu Guangchun, Director of SARFT, stated on March 18, 2004,

‘There are many western cultural products, particularly American ones, in our media market. What do we employ to resist against them? What can we do to get a share in the marketplace? The direct and effective path is to develop our media industry in general and TV drama in particular, because nowadays audiences spend most of their television time watching TV drama. If our TV drama attracts more audiences, we can take advantages over others in the media battlefield. Currently, there are many channels for TNMCs to infiltrate into our society, such as TV, Internet, film, and even mobile phones. Therefore, we must



produce excellent TV drama in order to compete with TNMCs.’<sup>4</sup>

The increasing number of television stations results in fierce market competition, imposing heavy pressure on the media players. In order to survive in the marketplace, they have to appeal to audiences with so-called popular entertainment programming. For CCTV, 44 percent of its total programming in 1984 was devoted to culture and entertainment, compared to 35 percent of the total devoted to educational programming. In 1990, the educational programming on CCTV had declined to only 5 percent, while entertainment reached nearly 60 percent (Hong, 1998:79). The public service function was almost ignored. If the media authorities neglect the diversity of media content, measures to protect national culture may not have any effect.

#### **4.3 The Media Players: Free Birds in the Iron-cage**

Chinese media players maintain that restrictions have deterred further development in the media industry. They desire a freer market, arguing that if the media cannot satisfy the fast-growing appetites of audiences and readers, they may shift to foreign media. This argument put heavy pressure on media regulators to reconsider their propaganda strategies. The director of the Information Network of SARFT, Chen Xiaoning, warned, ‘We can’t wait anymore, otherwise we will lose the chance for development, and we will be kicked out of the market.’(Li, 2001:4)

The shift from communism to commercialism can be attributed to some complex

---

<sup>4</sup> This quotation is from a speech of Xu Guangchun, posed on the official website of the SARFT, <<http://www.sarft.gov.cn/manage/publishfile/10/1686.html>> , accessed on April 24 2004.

factors, such as structural political change, artistic innovation, financial improvement, and audience preference. All these factors lead to changes in institutional arrangements to free the media industries, which are regarded as an important component of the national economy. Media reforms were pushed from a planned economy to a market economy. In the 1980s, some media theorists claimed the Chinese media system should be made more compatible with the economic base. The role of the media should be changed from 'propaganda instruments' to 'an industry', from 'leading the masses' to 'serving the consumers', from 'tools' to 'service providers' (Qian Wei, 2002:chap.3). These media theories led to at least two unprecedented results, i.e. accelerating commercialization and the emergence of cable television, new magazines, local newspapers and web sites (Hewitt, 2001). Others argue that under global competition the domestic media can learn a lot from them and then grow to be regional or global media giants (Zeng Huaguo, 2004). Claims for media reform are based on some western concepts. The reformists argue that, the more firms there are in a market, the less the likelihood of collusion, anti-competitive strategies and other inefficiencies (Sun Xupei, 1994). The market structure (the number of firms, barriers to entry, etc.) can drive the behaviour of the firms in an industry (e.g. their policies on pricing and advertising). In turn, the conduct would determine the performance of the industry and its productive efficiency. In the Chinese practice, media governance has shifted to the promotion of entrepreneurship, risk-taking and profit-seeking activities since 1992. In this way, the monopoly of the state-owned media has been gradually broken.

A significant step in market logic is media commercialization. It happened at the beginning of media reforms. First and foremost, the funds of the media are diversified

dramatically and thereby the contents of media are pluralized. Press subsidies in China have been in effect since 1949. The state provided nearly full financial support to the press through subscriptions and direct financial assistance. The government annually made a detailed budget plan that specified the items on which newspapers should spend. In the mid-1980s, some papers were allowed to operate on a profit-seeking basis. The funds that the media received from the government shrank sharply from complete state subsidy in 1978 to 50 percent subsidy in the 1980s. Some Party organs, including the *People's Daily*, became financially independent. Advertising, which was reintroduced in the late 1970s, has become the new lifeblood for the four major media—television, newspapers, radio, and magazines (Zhao, 1998:52-55).

In 1992, the SAPP announced a new policy of cutting subsidies to the press (Interviewee 19), allowing the media to undertake media-related businesses such as printing, advertising, and photographic services. Media organizations also moved into other areas, such as real estate, hotels, and restaurants. Consequently, the press distribution system has been changed to follow suit. From the 1950s to the 1980s, the post office completely dominated the press distribution business. Initiated by the *Luoyang Daily* in 1984, many metropolitan papers organized their own distribution systems instead of relying on the postal service. By 1995, newspapers with their own distribution accounted for 40 per cent of the national total, while 60 per cent of newspapers still rely on the postal one. Thus a two-track system appeared (Zhao, 1998:136). Papers were also encouraged to cultivate their own revenues by keeping some profits. The mass-appeal newspapers, such as *Xinmin Evening* in Shanghai and the *Yangcheng Evening* in Guangzhou, had to pay higher taxes to the state at a rate of over 30 per cent, which



normally applies to profitable business enterprises. The deputy director of the SAPP, Shi Feng, contends that the Chinese media industry is 'at the dawn of a great breakthrough', where the media have become a new driving force of economic growth in China. The revenues of the press and publication in 2002 reached 150 billion Yuan (19 billion US dollars) and they have kept on growing at a rapid rate (Shi Feng, 2004).

The changes in film policy in the 1990s mirrored these economic incentives. Although the CCP, through its Propaganda Department, retained control over script selection, production, quantity and censorship, the government withdrew its financial subsidies in the state-owned film studios in 1984. Film studios were required to be responsible for their profits and losses. By the early 1990s, a financial crisis emerged in the film industry. Box-office revenue in 1992 totaled 1.99 billion yuan (US\$0.25 billion), a decrease of 470 million yuan (US\$58.75 million) from the previous year. Audiences dropped from 14.39 billion in 1991 to 10.55 billion in 1992 (Chu, 2002:45). In 1993, the Ministry of Radio, Film and Television (MRFT, now SARFT) issued the first proposal for film commercialization (MRFT policy document No. 3, 1993), encouraging studios to sell their products to distribution agencies at the provincial level. Regulation of ticket prices was devolved to local government. In 1995, ten big-budget Hollywood films were imported through the revenue-sharing system arrangement. A similar profit-sharing system was encouraged to operate in provincial and city film corporations. In the same year, the Film Bureau issued another regulation (MRFT No.1, 1995) to allow thirteen film studios at province and city level other than the original sixteen feature film studios to produce feature films. Individual and non-state investment was encouraged. If their investment was over 70 percent, investors have the right to be co-producers after being

approved by the Film Bureau. In 1997, the government agreed to grant feature film production licenses to television stations and film studios at the district level. After China joined the WTO, the cinema sector became a more open field for private and foreign investors. Decrees No. 18 to 21 in 2003 deregulate the centralized approval system, enabling all media players to enjoy the same status in film production, and allowing foreign media companies to own a greater share in the cinema sector.

The case of the cinema sector demonstrates that Chinese media regulators regard the media as a kind of force to boost economic growth. This transformation may reflect the dramatic changes in the political-social base after two decades of economic reforms. If the TNMCs are no longer poison for Chinese audiences, the media industries could contribute to economic growth. Following this logic, Chinese media authorities carefully shifted the functions of mass media from the propaganda model to the industry model. In August 2001, the CPD, the SARFT, and the SAPP jointly proclaimed '*Decree on Furthering Reforms in News, Publication, Broadcasting, and the Audio-visual Industry*'. This policy package was transferred to the General Office of the CPC, and was proclaimed by an order issued as a final formulation of Document No. 17 of 2001. It includes 24 clauses with three main focuses, which are encouragement for organizing media groups, allowance of cross-media and cross-regional media operations, and permission for commercial media companies to be listed on stock markets. According to Document 17, the media administrative institutions jointly detailed some executive principles:

- 1) A broadcasting and television network distribution company can receive investment from the same industry system (audio-visual industry) or from other industries. This

capital should account for no more than 50 percent stock-share in the broadcasting company;

- 2) After being approved by the CPD and SARFT, a company in a broadcasting and television network may be listed on domestic stock markets;
- 3) Some media industries can receive private investment regardless of their nationality in areas including production of drama and television programmes, publication and distribution of broadcasting, film, television, newspaper, and periodicals, film production, distribution and exhibition, and cinema restructuring;
- 4) A film company can be listed on stock markets after reforms;
- 5) Newspaper groups, publication groups, and film groups can produce broadcasting and television programmes; holding more than 51 percent shares in a state-owned media company; these groups can be merged with other investors.

The interviewees regard Document 17 as a landmark in Chinese media deregulation, which has rich implications for media reforms in terms of investment allowance, market entry, and media convergence. Unlike companies in other industries, a media company to be listed on the stock markets has to apply for permission from the CPD and State Council's administrative institutions. After having been listed, the media outlets become more independent, not only serving the CCP, but also public investors. The deregulation and regulation produces a transformation of media ownership from completely state-owned into public-owned or partly private-owned. Therefore, the 'de-state-owned' trend seems to be inevitable.

There are four models of 'de-state-owned'. First, a media company can be listed on



the stock market. Since 1997, nearly 20 media corporations have been listed on the Shanghai and Shenzhen Stock Markets. The powerful financial institutions that were aligned behind profitable media brought a new dynamism to the media sector. Second, a state-owned non-media industry may purchase a media company. For example, the Huayuan Group, a giant in textile, medicine, and biology, cooperates with *Liaowang News Weekly*, a subsidiary of Xinhua News Agency. In 2003, they invested 35 million Yuan (US\$ 4.5 million) to establish a news magazine, mainly focusing on political and economic reforms. Third, private capital may invest in and cooperate with the existing state-owned media. In 2001, cooperating with *People's Daily*, the flagship of the CCP, a private company in Beijing invested 50 million Yuan (US\$ 60 million) and established a newspaper, *Beijing Times*. A company from Shandong province forged a financial newspaper, *Economic Observer*, allying with an existing newspaper with US\$ 50 million (Interviewee 27). Fourth, the private sector may establish independent media outlets. Currently, the audiovisual sector has a large number of private studios, as well as news photo providers. *Photocom*, an on-line news photo provider set up by several young photographers in the late 1990s, has become one of the largest photographic news providers in China. Their influence can even match traditional Xinhua. In short, the stable investment by large commercial companies helped to offset the fact that media revenues were notoriously vulnerable to the periodic ups and downs of the advertising market. Its aim is to take some long-term advantages in terms of making profits and forging brands.

However, as some interviewees point out, there is a great incompatibility between regulation and practice, particularly since 2001 when the TNMCs have been officially allowed to completely own television channels in the Chinese market. Some private

media practitioners complain that there is a kind of discrimination and inequality. An interviewee argues, 'The foreigners have money, but we have money as well. Why did the government give licenses to them, not us?' (Interviewee 40) They argue that this policy-preference down-grades the functions of the domestic private media, while it up-grades the foreigners. An interviewee argues, 'If the regulations allow [us to have a channel], we can do as well as them [the TNMCs], even better than them. The reason is that we are familiar with Chinese culture, and we have a good educational background in the USA and UK.' (Interviewee 40)

The second complaint is relevant to the financial policies. According to the existing regulations, it is difficult for the private media to apply for large loans from the Chinese banking system. However, when the state stopped financial subsidies, the state-owned media could easily apply for loans from the state-owned banking institutes. The private media also cannot list their companies on the capital markets, even if the investors prefer to hold such stock. The investment barriers slow down the development of private independent media (Interviewees 40 and 43).

The third dissatisfaction is related to the strict control on media access. Reception of satellite broadcasting is a sensitive issue in China. The tight control over individual reception is challenged by Chinese domestic demands. According to a survey, 14.30% of Chinese people expect they could receive any satellite channels directly, the vast majority of respondents (66.66%) wish to do that with some conditions; only 2.38% believe that they 'must not receive' (Lu Di, 1999:84).

## 5 INTERACTIONS BETWEEN THE POWER GROUPS

Neo-liberal commentators regard the rule of business as the best of all possible worlds. But in the Chinese context, globalization and economic reforms produced the current amalgam of Party, cultural nationalist, and market logics. The change toward media deregulation, commercialization, and liberalization is certainly significant, but it does not signify an ‘end of ideology’ (Zhao, 1998:5). When it comes to permission for TNMCs to enter the market, there is a common sentiment within the domestic media and government agencies,

‘For developing countries, the multinationals are too powerful to compete. But, they have to get licenses from official departments before they enter the Chinese market. Actually, many multinationals such as Bertelsmann, IDG, Newsgroup Corp., are arranging negotiations with my department [the CPD], which has the final decision authority. We can choose those multinationals which are friendly to China, which have a good business record, and [are] helpful to expand China's impact on the world, as our co-operation partners.’(Interviewee 1)

This statement by an official in the CPD indicates that the presence and consequence of TNMCs in China are a combination of individual rationality (agency) and institutional forms (structure). The CCP still plays a key role in the relationship with the TNMCs by utilizing them to realise its political goals. In order to become a standard ‘friendly’ partner, both News Corp.’s Murdoch and Viacom’s Stone have developed a good public relationship with Chinese decision-makers. The reason for that, as Robert McChesney maintains, is that billionaire right-wingers establish global media primarily to ‘propagate



pro-business politics and to push the range of political debate ever rightward' (McChesney, 1999:294). On the screen of CCTV, Murdoch maintained, 'I wish to bring good entertainment to them [the Chinese audiences], making their lives happier and more wonderful. Of course, I respect Chinese culture and their tastes.' When the audiences asked whether the Chinese market is a gold mine, Murdoch replied, 'I come here not for robbing Chinese resources, but for contributing to China. Although some argue that our arrival brings more market competition, we participate in this market for the sake of building up a more brilliant media market.' (Interviewee 34)

Like Rupert Murdoch, the TNMCs harness their media outlets to set an agenda of pro-China policies in order to get a market ticket. In this sense, the marriage of global commercial media and communism is largely ignored. The Chinese government may coexist with the media giants. President Jiang Zemin even praised the US film *Titanic*, in a speech before the NPC in 1997, 'Let us not assume we can't learn from capitalism.' (Interviewee 1) The Chinese communists and the global media capitalists, to a greater degree, have made a good deal. For instance, China immediately cancelled 127 regulations in the audio-visual sector after it entered WTO.<sup>5</sup>

Therefore, as Robert McChesney asserts, 'the relationship of the media giants to China is highly instructive about their commitment to democracy as well.' (1999:115) In 1997, after Disney had produced a film biography of the Dalai Lama, *Kundun*, its series of media projects in China were frozen. In order to ride out the controversy, Disney soon employed a team of public relations to resolve this dispute. The case of Disney may demonstrate that the global media giants would bow to the authoritarian government with

---

<sup>5</sup> Information from SARFT official website, at <[www.sarft.gov.cn/manage/publishfile/21/1566.html](http://www.sarft.gov.cn/manage/publishfile/21/1566.html)>, access April 28 2004.

its powerful public relations plus some investment projects. As long as TNMCs are attempting to maximize profits in a target market like China, they would not insist upon western principles of press freedom or democracy in front of the communist authorities.

The bargains between participants on the Chinese political stage are more complicated than those in other democratic countries. When it comes to the political environment, the bargaining process is involved in factionalism (*zhongpai zhuyi*), bureaucratism (*guanliao zhuyi*), and, localism (*difang zhuyi*). If Chinese government agencies do not make a compromise, they normally repeat a nationalist slogan of ‘protecting national culture and industries (*baohu minzu wenhua he minzu gongye*)’. This slogan has a big influence on media policy. Therefore, the political lobbyists employed by TNMCs may not have the same influence in China as they do in the western countries. Fearing the erosion of Chinese traditional culture, the authorities deliberately selected some non-American TNMCs. From the early 1990s, Bertelsmann, a German media giant, has been allowed to establish its book distribution networks and other business. As a senior representative in its Beijing office points out:

‘The Chinese government tries to break up the dominance of American TNMCs and balance TNMCs according to origin. They would like some TNMCs from Europe or somewhere else. ... Although our company holds a conservative attitude in the Chinese market, which wouldn’t like to invest and expand as fast as News Corp., we still have a good performance. At least, we got the first license in the publication distribution.’(Interviewee 20)

Power balance is a crucial factor in Chinese policy-making. The policymaking

actors represent different power groups. Regulators and domestic media responded to the TNMCs on behalf of their benefits. Even in the same group, there are also different focuses. For example, within the regulator group, the CCP focuses on centralizing its complete information control, while local governments support limited liberalization to boost economic development (Interviewee 1). The domestic media call for lifting strict controls but they would like to be regarded as ‘an infant industry’ for the sake of more subsidiaries. At the practical level, these media policy actors have made alliances for and against the transformation of media regulation. A vast range of new investment opportunities has resulted from media deregulation in China. These opportunities attracted the eyes of the electronics and advertising industries, along with the publishers of the press, the cable television, independent producers, broadcasting facilities companies and financial institutions. Their conjunction of economic actors gave them an uncommonly powerful weight. To a great extent, it is similar to European countries (Humphreys, 1996: 174-197). In short, the Chinese media, including the international media, seem to just speak for the ever more powerful interests, commercially and politically. The case of Murdoch demonstrates that there is no obvious difference between commercial and political power in China, though the commercial power-- executive decisions on what to operate, what product to provide—is not translated directly or simply into politics. The most important area of political activities for media institutions is organised to change media policies. The core issue is media ownership, its profit motivation, and its reliance on advertising or subsidy. The interactions and conflicts between different power groups determine the directions of media policy-making.

In China, the bargaining powers are embedded in globalization, not isolated from



domestic issues, are not stable but changeable. Tony Saich calls it a 'negotiated state', in which the ministries, local governments and individual institutions vary in nature depending on the relationship they have negotiated with other parts of the apparatus (Saich, 2000; Saich, 2002: chap.8). It is true that the regulators hold unassailable decisive power, but the corporate power from both domestic and foreign media corporations has been increasing. Concerning the flooding of the TNMCs, there are four policy implications in media governance, including embracing protectionism, industrially supporting co-productions and co-financing, supporting the independent production sector, and expanding public-service provision. In 1997 the Fifteenth Party Congress reformulated the debate between public and private ownership, and the debate on Chinese national industry versus foreign industry was underway.

The flexibility of media regulation provides more space for the practitioners. Take satellite television, for example. China banned satellite reception of foreign programmes among its citizens, but Chinese officials have been willing to allow CCTV to receive Time-Warner's programmes and selectively redistribute them within the country. According to Joe Hogan, senior vice president for network distribution in Turner International,

'We fully understand that they do not want CNN International on a 24-hour basis to be distributed to every household in China. We respect that and will operate accordingly.... We don't have the view that we will rain down on a country via satellite television whether we are welcome or unwelcome. We will work with the powers that be, the state broadcasters, the ministers of communication, and we will abide by the rules of their country.... We do not

want to force our products on them. We want them to look at our portfolio... and then go from there.' (Quoted by Flournoy and Stewart, 1997:7)

It seems that both the commercial-oriented media and the party monopoly would enable private power or party power to hinder the emergence of a democratic society. If the party monopoly is anti-democratic, the domination by several commercial media corporations also results in the decline of diversity.

Alternatively, the emerging civil society has developed into a real basis for political pluralism and contributed to political changes. In the Chinese context, media civil society scarcely reversed the authoritarian regime in 1989 (He, 1997). After that, the Party has kept vigilant eyes on civil institution building. Although state organs are traditionally supreme over the civil society, a few non-governmental media associations with some degree of governance power within the industry appeared after 1992. All Chinese reporters and editors are members of the All China Journalists' Association (ACJA), which is theoretically an independent social organization outside the official hierarchy. ACJA formulated a Statement of Ethics for Chinese Journalists in 1991 and it endorsed it several times, when there has been increasing paid-news in media outlets since the 1990s. In theory, as the mass media are owned by the government, all reporters and editors should become government employees. In reality, an increasing number of media staff is not government employees. For instance, most staff in Xinhua's *Oriental Outlook* signed contracts with the media company, like a commercial unit. Under this complicated arrangement, the ACJA plays an increasingly important role in dealing with disputes between media staff and the employers together with other social activities.

However, it lacks the authority to impose any penalties or provide any protection for its members. As a dispute happens, the ACJA plays a role as auditor, mediator, and supporter.

Moreover, the number of professional associations within the media industry has gone up since the 1990s. Sectors of newspapers, evening newspapers, local newspapers, periodicals, publication, Internet, audiovisual, and so on, have established their own non-government associations. These associations may not have enough strength to oppose the government, but they have begun to build up a link between the government and the market. In recent years, the government even encouraged this trend (*People's Press*, 2003: 30) Liu Binjie, deputy of the SAPP, argues, 'the government cannot govern details in individual industries. Instead, the industry associations can deal with most issues within their own industry. These associations could self-regulate.'(Liu Binjie, 2004:156)

Media civil society in China is not yet at the grass-roots level and they cannot reach the whole Chinese nation to impose a powerful check on the power of the state. However, if the present favourable economic climate continues, the recent future may see civil society as a major player in Chinese media politics. The case of deregulation of cross-media and cross-region mergers shows the increasing significance of the media in civil society. In the mid-1990s, one of the main themes of media reforms was the demand for deregulation of media conglomeration. But the SAPP crushed this demand with a provision on May 18, 1994, which bans the self-establishment of press conglomerates. A month later, ten newspapers with considerable economic strength organised a national conference in Hangzhou, debating the issues raised by the SAPP's provision. It imposed



heavy pressures on the regulatory institutions and led to the birth of Guangzhou Daily Conglomerate in January 1996 (Liu, 1998: 31-41). In order to contribute solutions to the increasing disputes within the newspaper industry, the Association of China's Newspapers organised a treaty, China's Newspaper Self-formulated Treaty (*Zhongguo baoye zilu gongyue*) on December 12, 1999. Most of the newspapers signed up for this treaty, which provides self-regulations on market competition in terms of readership, content, advertising, human resources, and so on.

## 6 CONCLUSION

In this chapter, I have examined media commercialization, led by globalization, constraints on the state's ability to sustain the monopoly of mass media, opening many more opportunities for both national and transnational actors. There are three internal and external factors, party logic, cultural logic, and media logic, having driven the change of the Chinese media system. These factors have broken down a few existing barriers in the media marketplace. As a result, China's media governance experienced a great institutional transformation in terms of regulation. This process can be articulated in Nye's words, 'to establish standards and strategies that strongly affect public policies that were once the domain of central governments.' (Nye, 1999:6) In China, the CCP faces a dilemma. It is that during the process of media reforms, the CCP could not easily persist with the principle of 'Party-completely-control-media (*dangguan meiti*)', but it has to gradually open the media market under global and domestic pressures.

This chapter has also explored the complex correlations between numerous actors. Along with integrating in global society, Chinese media authorities adjusted their

governing models, attempting to control the media industry not at the micro level but at the macro level. The recent changes in this direction are a positive step in making the process of regulation more participatory and accountable. The increase of bargaining within different parties, though it still lacks stability, shows the model of policy creation has been transformed from a 'leader-determined' model to a 'consensus-building' model. Since the ruling CCP employed many effective measures to manage the ideology-oriented media, dialogues between regulators, TNMCs, and domestic players were initiated during the 1990s. Therefore, rather than only being determined by the leaders of the party or the government in the past, media policy-making has been increasingly formulated by bargaining between different participating media institutions. China still focuses on structural adjustment. The governmental interventions and institutional arrangements have called for promoting market competition. Many media players believe that as competition develops in the media market, the only type of relevant regulation should be general competition policy.

But, in China, as in many other Asian countries (McCargo, 2003), media practitioners and media organizations have an ambiguous relationship with political power holders. Ownership restrictions are set not for the possibility of diversity of media content, but for the effectiveness of information control. China's media deregulation seems to be a triumph of the neo-liberalism and global media market. However, the actual track record is quite dubious, because the power of the CCP did not allow the 'end of history'. The bargains may be seen as setting rules and constraints among actors, with different resources and capacities, acting to realize their commercial and political goals. All are relevant to the individual and structural arrangements, which prioritize a few

alternatives and possibilities for media governance.



## CHAPTER FIVE

### DE-MONOPOLIZATION AND PRIVATIZATION: RESTRUCTURING THE MEDIA INDUSTRY IN CHINA

#### 1 INTRODUCTION

The profound influence of globalization and TNMCs on China's media governance has driven an obvious tendency toward differentiation and functional specialization of media institutions, deregulation and re-regulation of media policy, de-monopolization of media structure, and de-propagandization of media culture. Chapter Three has examined the increase of differentiation and functional specialization of media institutions; Chapter Four has explored some regulatory responses to globalization and governing transformation. With the case of News Corp., I have also examined the complexity and incompatibility of co-relations between regulators, domestic media players, and transnational media players. There are three factors, media diplomacy; economic growth; and, cultural protection, inducing the authorities to adjust media regulation. The penetration of foreign media has imposed heavy pressures on the authorities. In this chapter, I will further explore de-monopolization of media structure, that is relevant to structural changes in the media market from the perspectives of party logic, cultural logic, and media logic.

During the process of de-monopolization in the course of globalization, there is a dualistic system of mass media in China. For instance, a businessman, who invested a million Yuan in the *China Commercial Paper* via its host institution China's Social

Academic Association (CSAA), in the early 1990s, got nothing after the paper became profitable with annual advertising revenue of over 10 million Yuan (\$ 1.2 million) in the late 1990s. In October 1999, over a dispute of ownership on *China Commercial Paper* and *Shopping Guide*, a joint letter to CSAA by the General Office of the State, the Ministry of Financial Affairs, and the State Administration of Publication and Press gave a clear judgement on its ownership. It said, 'the owner of a newspaper is the only investor in the newspaper. There is no policy allowing private or social institutions to create or own any press.' According to Article 22 of the Constitution, the state is the only legal body entitled to develop the media industry. Ironically, two years later, the State Council promulgated Document 17, strongly encouraging media industrialization (*meiti chanyehua*) and allowing the private sector to participate in media industries.

This contradiction, a result of institutional arrangements balancing interests of the party, economic, and media forces, reflects a considerable concern about the increasing penetration of TNMCs in the media market, and an unchanging reality that there is still a dualistic system of mass media. However, in this market, the monopoly of party-media has been broken and the strength of public and private media is on the rise. The Chinese authorities call for deepening cultural restructuring and the private media have become a challenge and threat to the party counterpart. The primary motivation of the government is to push forward cultural restructuring in the light of the characteristics of the development of socialist spiritual civilization and laws governing it. The government also wants to restructure the cultural industry in response to the needs of the growing socialist market economy. Jiang Zemin argued, 'We must lose no time in working out overall planning for cultural restructuring.'(Jiang Zemin, 2004:1) The direction of media reforms



in recent years is deepening media transformation by structural adjustment and promotion of development, and clarifying the relationship between the government and cultural enterprises and institutions. In doing so, the media authorities attempt to deepen the internal reform of media enterprises and institutions. The reform aims at establishing a management system and operational mechanism that allows media practitioners to show more initiative and be innovative, and brings more high-quality work and more outstanding personnel.

This chapter also argues that there are rich political implications of the structural changes in the media market for the Chinese media politics. Although some scholars still regard media changes as a process within the 'Party's orbit' (Zhao, 2000:3-22) or 'Party Inc.' (Liu, 1998), I argue that media restructuring may have enabled the Chinese media to become a limited independent institution in the Chinese polity. As Nicholas Granham suggests, 'it is cultural distribution, not cultural production, that is the key locus of power and profit.' (Granham, 1990:161-162) In China, the diffusion of media business models, particularly media organizations dependent on advertising revenues has given rise to a commercial culture that 'is often apolitical but which may nonetheless undermine the traditional relationship between political authorities and the public.' (McCormick and Liu, 2003:139) The diversifying media investment, the increasingly weakened monopoly of the party-media, incrementally spinning off from the party and government, facilitated the rise of more open and reasonable media spaces which undermine the hegemony of the CCP's over the mass media. It is incremental accessibility to diverse information and the capacity to employ that information that is re-configuring media power relations in China.



This chapter firstly presents media liberalisation in China. Then, I will present the reconstruction in the television sector. Thirdly, I examine media conglomeration in which the central party-dominated newspapers and television have their strengths diminished. Fourthly, I re-classify four kinds of mass media in China. Particularly, I examine the role of independent media with the case study of an influential magazine 'Finance' (*Caijing*).

## **2 THE MORE MARKET DYNAMISM, THE LESS PARTY DOMINANCE**

Media commercialization in China is a process of state intervention to expand the number of media outlets in the marketplace, in which new providers of mass media are allowed to be created. Its main aim is to increase the number of market participants and then to open up former monopoly areas to competition. The preconditions for media commercialization do not primarily result from governmental intentions, but are the unintended consequences of market-oriented reforms. Minxin Pei calls it 'self-liberalization' (1994:150). It reflects the fact that the economic reforms and open-door policies led to liberalization and self-liberalization both at the regulatory and operational level.

### **2.1 Commercialism as an Engine of Change**

Since 1979, especially since 1992, commercialism within the party and the government has become an engine of communication liberalization and the functions of propaganda have been weakened. It also provided limited opportunities for TNMCs to

penetrate the Chinese market. The presence and the weight of TNMCs, in turn, stimulated more media restructuring in China.

Commercialization of mass communication was initially a governmental and institutional decision as a means to stop subsidies for media institutions. The CCP's Central Committee and the State Council jointly propagated a decree '*About the Decision to Speed up the Development of the Tertiary Industry*' in October 1992, regarding the mass media as part of the service industry (Xu Guangchun, 2002: 474). In August 1994, Sun Jiazheng, the Ministry of Broadcasting, Television and Radio, maintained that broadcasting and television should rely on self-development, rather than operate on government subsidy (Xu Guangchun, 2002:437). It was reiterated by President Jiang Zemin when he visited the *People's Daily* in 1996. He suggested, 'the *People's Daily* should pay attention to the content on the one hand and try its best to improve its industrial business on the other.' (Xu Guangchun, 2002:517) In March 1998, the NPC suggested that the government should reduce the budget for public organizations including media outlets annually and after three years, all organizations should become financially independent. A year later, Document No. 82 of the State Council asserted that cable television networks should be commercialized and separated from television stations. China's mass media have to move towards independent units with a push from the government. As a result of these institutional arrangements, the governmental subsidy to media institutions shrank dramatically from 100 percent in 1978 to 50 percent in the 1980s and to nearly zero in the late 1990s. Some Party organs, including *People's Daily*, became financially independent. Depending on multiple channels of financing income, especially from the booming advertising business, the media industry in 2002 has

surpassed the tobacco industry with annual profits of over 100 billion Yuan (US\$12 billion), employing over one million people (Zhang Guihong, 2002). It has become the fourth largest profit industry in China, following electronic information, manufacturing, and tourism. There is still great potential for media development due to the current low level of consumption of media products.

Advertising, which was reintroduced in early 1979, has become an attraction in the Chinese media market. For instance, as Table 5.1 demonstrates, the advertising revenue of CCTV in 2003 was 800 million Yuan (US\$ 97 million), forty times that in 1990. A study by AC Nielsen Media Research suggests that China has maintained an increase of 16 percent in advertising revenue, despite the influence of the global economic slowdown (Zhang Guihong, 2002). The bulky media market offers huge spaces for local media and definitely attracts overseas investors. The year 1992 saw a turning point. Foreign advertising agencies were allowed to set up joint ventures, and state-owned enterprises had their freedom to choose advertising agencies without interference from different levels of government. The deregulation of the advertising market generated increasing competition among agencies and a marked improvement in the quality of advertisements on the one hand, and dramatic increases in advertising spending (100 per cent average annual increase from 1992 to 1993) as well as in the number of advertising agencies (90 percent average annual increases) on the other. But soon the government reset the rules of market entry in 1994. Only qualified agencies were permitted to operate their business in China (Zhou, 2002:75). The regulation reflects great concern about the cultural consequences of foreign advertisements. As Liu Renwei argues, it could

‘become a strong force in the cultural invasion. Ordinary people may think that



advertising is nothing but promotion of merchandise, but in fact the issue is far from being so simple. On the one hand, people blow their own trumpets by means of advertisement, but on the other hand, [ads.] are comprehensive manifestations of a consumption concept, a way of life, and value-orientation of the countries where such merchandise is produced.’(quoted by Lynch, 1999:57)

**Table 5.1    Revenue of CCTV**

Year	Revenue (million YMB)
1980	2.43
1982	7.87
1990	197
1992	560
1993	760
1994	1,000
1995	2,000
1996	3,500
1997	4,100
1998	4,400
1999	5,100
2000	5,700
2001	6,100
2002	7,000
2003	8,000

Source: Yang Weiguang, *Dianshi Wenji (Selected Papers on Television)* (Beijing: China Wenlian Press, 2000), p.256; Wu Keyu, *Dianshi Jingjixue (Television Economics)* (Beijing: Huaxia Press, 2004), p.54.

To meet the demands of audiences and advertisers, the genres of newspapers have been diversified and helped break the monopoly of the Party’s papers. Among 2509 titles of newspapers in 1988, the ones owned by party organs decreased to 16% of the total, metropolitan papers account for 10%, evening papers 1%, special-subject papers 23%, enterprise papers 25% (Lee, 1990:16). Although there are no concrete updated data for 2004, interviewees maintain that the party-media continued to decline and metropolitan media rose dramatically. The divergent networks of national and local newspapers serve

specialised markets based on age, occupation, interest and work-unit constituencies.

**Table 5.2    Tax and Profit of CCTV (million RMB)**

Year	Tax	Profit for SARFT
1998	400	640
1999	460	790
2000	480	850
2001	500	910
2002	550	940

Source: Wu Keyu, *Dianshi Jingjixue (Television Economics)* (Beijing: Huaxia Press, 2004), p.54.

Therefore, the popular papers beat the party’s mouthpieces (Wang Jianmin, 2003). In the post-WTO years, Chinese media are forced to further commercialize or face closure. According to a decree issued by the SAPP in July 2003, some party and government papers were closed down, annexed or transferred to other newspaper groups, while others became free information circulars. As a result of the planned economy, a number of newspapers and magazines run by party branches and government departments were financially supported by administrative orders that increase their circulation. State administration statistics show there were 2,137 newspapers in 2002. But newspapers relying on administrative orders for subscription accounted for 40 per cent of the total (*China Daily*, August 5,2003, p.4). The decree by the SAPP aims to solve the economic ineffectiveness and administrative burden of newspapers. According to this bold plan, publications would be free to operate in the marketplace rather than continue to serve as cultural units under government departments or social organizations. In this way, the number of party and government media units has declined dramatically in recent years.

The legitimating of private investment in 2004 is driven by the needs of commercialization, which encourages the media to grow independent from state subsidies,

respond to consumers' demands, and become an engine of economic growth and employment. A reform package released by the State Council in 2004 allows that private investment can involve itself in the business of newspapers, broadcasters, television and other media outlets. It states, the operation of the mass media can be split off and ... absorb capital from society, but the state must retain 'an absolute controlling stake (*jueduikonggu*)' in any such business (Interviewee 1; McGregor, 2004:9). Eliminating government support while improving market efficiency might increase market competition as well as force the closure of some propaganda-oriented publications.

## 2.2 The Increasing Strength of Private Firms in the Publication Sector

The erosion of the state-owned publishing industry by private entrepreneurs has taken place since the 1980s, but it reached its peak in the 1990s. It has split into what have been called the 'red route (*hongdao*)', 'white route (*baidao*)', and 'black route (*heidao*)'. The 'red route' consists of official publications, the 'white route' represents private entrepreneurs and distributors who have government permission to produce and distribute certain media products under restricted conditions in given areas, and the 'black route' includes illegal, unlicensed operators who produce pornography, politically sensitive and racy works. (Interviewee 28; Heiko, 2002:28-38) Operating outside the official, state-owned channels, the white and black routes, known as the second channel (*er'qudao*), have been tolerated by the government because of their popularity since the late 1990s.

The significance of the private publishing business is its vertical concentration on the whole process of publication. Due to the regulatory restrictions, according to which



the private media have no right to own a publishing house, the private sector initially took part in publication in selected topics. In 1984, the government promulgated a deregulatory policy called cooperative publishing arrangements, which were initially a response to the tendency of the profit-oriented publishing houses to shun scholarly books and court bestsellers. Accordingly, individual authors and publishing houses can share the costs of production. The private entrepreneurs capitalized on this arrangement by taking over virtually all the functions of the publishing houses, becoming unlicensed publishers. According to interviewees, some publishing houses, especially the small and medium scale local or ministerial publishing houses, would like to sell their issue serial numbers (a kind of publishing licence approved by the SAPP) to a private publisher, because they have these free resources from the government agencies overseeing the publishing business. For the appearance of the legitimate product of the publisher, private entrepreneurs also pay the publisher to use its name. With flexible operations both in investment, distribution, and publishing, the private sector has become a powerful arm in the publication sector in the 1990s. Some have grown up to become publishing giants with the whole chain in production, distribution, and promotion. They produced 50 to 100 books every year, the same as a medium-sized official publishing house (Interviewee 28). The private firms produced half of the best-selling publications since the 1990s, such as *Poor Father, Rich Father* (*qiong baba, fu baba*) (Interviewee 28). Over the years, the number of private publication firms is over 40,000, with a market share of about 50 percent, excluding textbooks from the state-owned sector's business (*Xinhua News*, Feb.2, 2003). Some of them, for instance, Beijing's Xishu Book, have the strength to compete with state-owned Xinhua Book Store. Cooperating with a Hong Kong-based company,

the number of Xishu book stores reached 489 in 300 cities, imposing heavy pressures on Xinhua Book Store (Bo Mei, 2005:19).

There are fluctuations in time and space for the publishing business. The first period of growth was from late 1992 to early 1993. During this time publication commercialization reached its peak, Guangdong Province and its neighbour, Hunan province, became the centres of private publication. The second was the period from 1996 to 1998, during which the business was based on Beijing and Chengdu, focusing on political reforms. The third was from late 2001 to 2002, with the publications orbiting the issues raised from the WTO (Interviewee 28). According to the interviewees, there are rich implications in differences between the localities. Guangdong is one of the most market-oriented areas. Deng Xiaoping called for further reforms and more opening-up there in 1992. It is no surprise that the commercialization of publications was first launched from Guangdong. The challenges and opportunities of China's membership of the WTO urged the leaders to have global awareness in terms of understanding international norms, rules, and operative models. In this context, the popularity of private publications reflected the political trajectory in China since 1992.

The fluctuations of self-liberalization mainly depend on the political climate. It sometimes could become an instrument in the power struggle, in which one faction fights against another, either conservatives or liberals. For rebellious book merchants, who launched effective guerrilla warfare underground against the censors since the mid 1990s, they did that to make profits, not to fight for political freedom. Some owners re-emphasised when being interviewed, 'We don't care about anything but money.' (Interviewee 28) But they experienced horrible tribulations if they angered the core



authorities. After Li Shenzhi published his lengthy National Day *cri de coeur* article, which attacked the CCP's hegemony and challenged the Party's control over information, Jiang Zemin angrily responded,

‘Some Party members and cadres are openly expressing opposition in newspapers, books, and speeches to the Party line and general and specific policies....

I do not believe that our Party cannot manage the publishing houses well; I do not believe that our Party cannot manage book numbers [issue serial numbers] well.’(Quoted by Fewsmith, 2001:227)

Soon after this incident, restrictions on censored publishing were stressed, 15 to 20 publishing houses were suspended, reorganized, or closed (Fewsmith, 2001:227).

As Chapter Four explored, publication distribution has also been liberalized and the monopolized systems, the Post Office and Xinhua Bookstore, have been eroded in recent years. Chinese media have long complained that the post office is inefficient, and that it charges too much. From the early 1990s, many publishing houses and newspapers, for instance, Nanfang Daily Group (Zhong Guangming, 2002:6-10), began to establish their own distribution networks, rather than depending on Xinhua Bookstore and the Post Office. At the end of 1992, there were more than 500 newspapers running their own distribution networks (Lee, 1994). In the late 1990s, most of the profitable local media have their own circulation and distribution networks. Some rely on private dealers, even though the SAPP frowns on the practice. In the publication sector, there were already 40,000 private book sellers by the late 1980s, twice as many as the combination of collectively owned bookstores and state-owned (11,000 and 9,000, respectively). Private and collective stores controlled nearly two thirds of the book retail market in 1988, while



the state-owned had accounted for 95 percent in 1979. Private newsstand operators gained market dominance over the distribution of newspapers and magazines in 1988 as the state-owned postal system's share fell to 42 percent (Pei, 1994:155). Private publication holds a half share in the publishing business in the late 1990s. In Shanghai, the private sector has become outstanding in the publishing retail market with 7000 bookstores in 2003 (Zhang Xiaoning, 2004:2). After a decade's underground operation, private publication businessmen achieved equal status with state-owned counterparts at Beijing's Publication Book Fair in 2004. According to Liu Binjie, general governor of the SAPP, with 20 policies promulgated in 2003, the unequal status between the state-owned and private would never happen again (see Chen Guilong, 2004:18-20).

In accordance with its commitments to the WTO, China should partly open up its publishing industry in some cities, during its first year of WTO membership. It should fully open up the advertising market and its entire book, newspaper and magazine wholesale and retail sector to overseas investment within three years. After a year-long trial operation allowing overseas investment in Beijing, Shanghai, Tianjin, Guangzhou, Dalian, Qingdao, and five special economic zones in the southern part of the country, the SAPP promulgated the *'Regulation Concerning the Management of the Publication Market'* on May 1, 2003. It allows the operations of publication distribution enterprises to have diversified capital investments. Accordingly, China has formally opened up the book, newspaper and magazine distribution sectors in Chongqing, Ningbo, and all provincial capitals to domestic private investors and foreigners. Distribution groups could assimilate overseas investment. By early 2004, over 60 overseas companies have set up offices in Mainland China with the intention of investing in the publication distribution

business. Those who have cooperated closely with their Chinese counterparts and who are familiar with this market are likely to be the first to have their applications approved (*Xinhua News*, Jan.23, 2003).

The SAPP finally liberalized the private firms. Private dealers were prohibited from wholesaling publications before 2003, though they operated successfully in an underground market. In August 2003, according to the new circular from the SAPP, private firms with at least 20 million Yuan (US\$2.41 million) in registered capital can apply for wholesale circulation of books, magazines and newspapers. Applications must be approved by the SAPP. It is the first time that the private sector has won the same impartial and equal status as state-owned firms. By early 2004, private firms were operating in the major cities, such as Beijing's Red Cap, Shanghai's Eastern Book, and Guangzhou's Yangcheng. All demonstrate their potential and strength in market competition. With the development of liberalizing distribution, both the state-owned Xinhua Bookstore and the Post Office lost their monopoly status as private and foreign firms flood into book wholesale and retail market. In some regions, they operate on the margins of the market because they lack flexibility in comparison with their private counterparts.

Concerning the market strengths of foreign firms, Chinese media have been establishing a number of state-owned distribution groups with chain operations and modern logistics services, in a bid to improve the market competitiveness of state-owned news and publication businesses. On April 2, 2004, Liu Binjie, deputy president of the SAPP asserts,

‘After the Circulation of Management of the Publishing Market [in 2003],

private publishers won equal status in market entry and became an important player in the Chinese publishing industry. However, our strengths could not compete with international publishing giants. We should speed up our reforms.’<sup>1</sup>

Regulating ‘gateways’ and potential bottlenecks (e.g. book numbers, censorship, uninstitutionalised policies, and so on) become pivotal to the objective of ensuring open and divergent systems of media governance. Although the government has revised laws and regulations on copyright and publication, and rectified irregularities in distribution of the publications in recent years, many regulatory barriers needed to be removed and a new one should be reconstructed to provide better governance based on justice, fairness, and pluralism.

### 3 DE-CENTRALIZATION AND DE-MONOPOLIZATION IN THE TELEVISION SECTOR

The structural changes in television are generally considered as a natural evolution process of television commercialization (Zhao,1998). However, without the external influences of television globalization, for instance, News Corporation’s *Phoenix TV*, *Star TV*, and *Xingkongweishi*, the reforms in the old structure and the reshaping of a new structure could not have happened so rapidly and dramatically. When a nation like China, which has unique economic and political systems, opens its door to the world it can hardly keep the market monopoly through political power as before. The pressure

---

<sup>1</sup> See the Chinese government official website, <http://www.chinabook.gapp.gov.cn/O/Article.aspx?ArtID=045614&CateID=1010404>, accessed on April 24, 2004.



from the global market has virtually strengthened the power of commercial rules in a global context, and effectively shaped the Chinese television industry. During this process, decentralization plays a role as ‘the mother of adaptation, innovation and experimentation in political communication.’ (Lewis, 2002:145) Although the emerging competitive media market is profit-oriented and the Party monopoly has not been seriously challenged, the weakened CCTV and the new channels offer alternative information to audiences. Some of this information helps stimulate political awareness, create public spheres, and establish different opinions.

### 3.1 The Rapid Growth of Local Television

The Chinese television market is described as a ‘gold mine’. Figures show that television and broadcasting systems have audiences of one billion, and Community Antenna Television (CATV) covers three million square kilometers with 100 million users (*Xinhua News*, Nov.6, 2002). In 2003, China broadcasting and television covered 93.34 per cent and 94.62 per cent of its population. The television household audience reached 306 million with a TV coverage ratio of 85.88 per cent (Yin and Li, 2003:6). The annual revenue of the broadcasting, television and film industry amounted to some 43 billion Yuan (US\$5.2 billion) in 2001 (*China Daily*, Dec.7, 2001). In this huge market, the TNMCs do not have the power to determine the reform agenda for Chinese media industries, but they have the capacity to gradually reshape the structure of Chinese television through related influences.

The structural change defines what happens to Chinese television in the age of economic reform. The structure of television in China had been firmly shaped as a

‘four-tier system’ until the early 1990s (Huang, 1994:222). These four levels of television stations constituted different layers of monopoly ‘at the national, provincial, municipal and county levels’ (Wei, 2000:327). Among all stations, the CCTV was in the dominant position across China. The whole Chinese television industry could be described as a placid lake. Each station clung to its regional market. They had neither the ambition to occupy new markets, nor faced challenges from other stations. The system had a fatal disadvantage, in that it separated the media markets by administrative areas. Thus it only produced low quality TV programmes and small outputs of TV products. From 2001, the SARFT recreated the system. Every municipal station may keep its institution and brand but only be allowed to carry one channel. By July 1, 2002, every province should have at least one public channel. The broadcasting system was transformed from a four-tier system to a three-tier one. All channels at the county level should rebroadcast the programming from the central, provincial and municipal levels, rather than air their own (Wang and Zhou, 2003:46).

In the 1990s, along with the loosening of broadcasting regulations, the number of television stations increased and satellite and cable television were further developed. The previous structure of the television industry tended to be broken down (table 5.3). With more media outlets, a blooming media industry, providing divergent accessibility under decentralization results in a more dynamic Chinese mediascape.

**Table 5.3    Television Channels in China**

Television stations (number)	651
Cable subscribers (number)	90 million
Cable television channels (number)	663
Satellite television channels (number)	38
Television penetration (per cent )	92

Source: Access Asia Limited, 2003, Quoted by FT, February10 2004

Cable television offers more opportunities for foreign programme providers. In the 1990s the cable networks increased at an astonishing speed all over China, which can be illustrated by the number in Table 5.3 and Table 5.4. The households installed with cable soared to 90 million by 2000, seven times the figure of 1990. It grows steadily. By 2001, China had the largest cable networks in the world. The households installed with cable surpass the USA to reach more than 117 million. It covers 70 percent of the urban areas and extends to rural areas with an annual increase of five million households. The backbone of the network consists of three components. The national networks extend to 30,000 kilometres of cable; the provincial networks have 110,000 kilometres; and the country networks are composed of 300,000 kilometres.

**Table 5.4    Increase in Cable Households in China**

Year	Number of cable households (million)
1990	13
1994	31
1997	70
1998	77
1999	80
2000	90

Sources: From the governmental website of State Administration of Radio, Film and Television (SARFT), [www.sarft.com](http://www.sarft.com), accessed on February 4 2004.

The provincial broadcasters are keen to air their own programming via satellite. By the end of the 1990s, there were a total of 38 domestic satellite channels in China, including one CETV channel, eight CCTV channels and 29 provincial channels.<sup>2</sup> It is a typical ‘Chinese characteristic’ since SARFT allocated each province a satellite channel, the television signal of which can reach the audience of other provinces (Wei, 2000:342).

---

<sup>2</sup> ‘The Introduction to Satellite Broadcasting in China’, [www.ctvro.com](http://www.ctvro.com), accessed on April 7, 2002.



The original intention of SARFT was to encourage competition among the provincial television stations so as to enhance their strengths in resisting the invasion of foreign television. Nevertheless, an unexpected result of the competition is the prevalence of global programme formats on the Chinese television screen. Among all the domestic satellite channels, CCTV has an absolute advantage in the areas of funds, intelligence, authority and reputation. The average programme-production cost per minute of CCTV is often ten times as much as that of provincial stations. It seems that few opportunities are left for provincial stations in the national market unless they have particular skills. The provincial stations, like cable television, search for assistance from global television. Because the governmental control over the provincial stations is much stricter than cable, the global programme formats, rather than the programmes themselves, are the most important resource being utilized by provincial stations.

Along with the increase of cable channels and provincial satellite broadcasting, more programmes are needed to fill in the broadcasting time of the Chinese television. The insufficient domestic production is shown in Table 5.5.

**Table 5.5 Total Broadcasting Time and the Total Time of Self-produced Programmes of Chinese Television ( in Hours)**

Year	Total broadcasting time	self-produced programmes	The percentage of self-produced programmes
1992	1,374,464	148,143	10.8
1993	---	----	---
1994	2,073,656	280,841	13.5
1995	2,439,632	383,513	15.7
1996	2,886,978	550,738	19.1
1997	3,114,384	616,437	19.8
1998	3,481,920	725,699	20.8
1999	3,976,336	790,874	19.9
2000	4,335,396	871,081	20.1
2001	9,561,708	1,578,755	16.5

Source: Wu Keyu, *Dianshi jingjixue (Television Economics)* (Beijing: Huaxia Press, 2004), p.116

The newly set-up cable channels, digital channels, and satellite television stations were definitely considered as commercial institutions by the SARFT (*Zhongguo guangbo dianshi nianbao*, 1992). They could not survive and compete with the terrestrial channels without foreign programmes. The large number also makes it extremely difficult for the governments to supervise and control. Thus, they have more freedom to purchase the trans-border television programmes. Chinese regulations require cable stations to limit foreign programmes to no more than one-third of their total programming. In practice, the local cable networks can import as many foreign programmes as they can afford (Chan, 1996:143).

The reasonable price of TNMC products is the external reason that the cable channels and satellite broadcasting depend heavily on foreign programming. Most municipal cable stations have a sports channel, which rebroadcasts the entire sports programming packages purchased from ESPN. According to an interviewee in Tianjin Cable Station, the sports channel is cost-effective since it only takes them RMB700,000 (GBP60,000) per year to purchase the satellite signals from ESPN. In fact, 'to occupy Chinese markets, ESPN sold its program package to cable stations of 31 large cities in China and the prices of all the one-year contract are all lower than USD 200,000.' (Interviewee 9) Therefore, foreign programmes are the favourite of new television channels and become the most important factor in the rapid growth of television.

### 3.2 CCTV: the Weakened Monopoly

The influence of globalization tends to set up a new rule of 'fair play' in the Chinese



television industry after global television programs and formats enable cable television and provincial satellite television to challenge the monopoly of the CCTV. While CCTV is still the only national network in China (China Education is national TV but it is still fledgling), its channels are no longer the most popular in many areas. An audience survey in the three largest cities – Beijing, Shanghai and Guangzhou -- shows that the influence of the CCTV channels is fading. Its previous dominant position is being replaced by the local cable channels or the transnational channels. For instance, the cross-border channels from Hong Kong dominate the Guangdong television market, accounting for a total of 54.4 per cent of audience share (Wu Lanzhu, 2003:28).

Tables 5.6 and 5.7 demonstrate that CCTV has had a dramatic loss in audience share since the late 1990s. CCTV-1 used to have the lion's share but it only gained 9.3 per cent in 2003. This loss of popularity among the audiences also leads to a fall in advertising income. Since 1998 the advertising revenue of CCTV began to drop (*Zhongguo guangbo dianshi nianbao*, 1992-1999). According to the data from CCTV-SUOFU Media (*Yangshi-suofu meiti yanjiu*), there are 50 channels covering the national audience market, including 12 of CCTV, 2 of CETV, and 36 of provincial TV stations. Although CCTV is still dominant at the national level, where it has 68.3 per cent of the market share, its monopoly has been weakened at provincial level (Wang Lanzhu, 2003: 16-17). For instance, CCTV only had 20 per cent of the market share in Anhui province in 2002, 32.3 per cent in Beijing, 15.6 per cent in Shanghai, and nearly zero in Guangzhou. By contrast, the provincial TV has consolidated its dominant position in the local market. Anhui TV has 73.6 per cent of the local audience, Beijing TV has 41.3 per cent, Shanghai TV has 70.4 per cent. It is worth pointing out that Hong Kong's TV dominates the Guangdong



TV market (with a 54.4 per cent market share) over local TV (24.1 per cent) and CCTV (8.4 per cent) (Wang Lanzhu: 19-29).

Table 5.6 Most Watched Channels in Beijing, Shanghai and Guangzhou

Rank	Beijing		Shanghai		Guangzhou	
	1998	2002	1998	2002	1998	2002
1	BJ Cable 1	BTV-1	SOTV20	STV Drama	HKTVB Jade	HKTVB Jade
2	CCTV-1	BTV-2	STV8	STV News	HKATV	HKATV
3	BTV-1	BTV-4	SHCM	SOTV News	Home GZTV	Home Zhujiang TV
4	CCTV-6	CCTV-1	CCTV-1	SOTV Entertainment	HKTVB Pearl	GZTV
5	CCTV-5	CCTV-6	SHCS	SHCS	Zhujiang TV	NF Movie
6	CCTV-2	CCTV-5	SOTV33	CCTV-1	CCTV-1	HKTVB Pearl
7	BTV-2	BTV-3	STV 14	CCTV-6	GD Sports	CCTV-5
8	BJ Cable 3	CCTV-8	SC Music	SH Fiancial	Phoenix	CCTV-1
9	Hunan TV	CCTV-3	SC News	SOTV Drama	HKATV World	GD TV
10	Phoenix	CCTV-2	SHC Drama	STV Life	NF Movie	GDTV Sport

Note: BTV' Beijing TV; SOTV' Shanghai Oriental TV; STV' Shanghai TV; HKTVB' Hong Kong Television Broadcasting Ltd.; HKATV' Hong Kong Asia TV; GZTV' Guangzhou TV; GDTV' Guangdong TV; NFTV' Nanfang TV.

Source: Data for 1998: Ran Wei, 'China's television in the era of Marketization', *Television in Contemporary Asia* (New Delhi: Sage, 325-346), p.328.

Data for 2002: Wang Lanzhu (ed.), *2003' Zhongguo dianshi nianbao2003 (Yearbook of China's TV in 2003* ( Beijing: Beijing Broadcasting Institute Press, 2003), pp.25,28,31.

Table 5.7 Leading Channels in China Ranked by Audience Share

Channels	Audience Share ( per cent)
CCTV-1	9.3
Shandong Satellite	6.0
CCTV-6	5.1
Liaoning Satellite	3.1
Guizhou Satellite	2.9
Others	73.6

Source: Access Asia Limited, 2003, quoted by FT, February 10 2004

During the competition with other domestic and foreign TV companies, CCTV experienced self-demonopolization with economic logic from 2003, when it began moving quickly toward the programme-group system (Interviewee 7). The triple arms of

CCTV's backbone, party shows, drama, and news, have been partly privatised except for news and current affairs. In the drama sector, it selected four prominent producers and established four independent studios under its subsidiary company International TV Ltd.. The producers hold small stakes in the studios and they manage the whole chains in drama production. The goal of their productions is to gain the biggest profits from sales. CCTV also welcomes the participation of private and social institutions (Ling Ling 2004). It spun off production units and non-broadcasting departments, some of which may later be listed on overseas markets. CCTV's sports channel may be an early target for restructuring due to the popularity of its content and the fact that it is a straightforward business (Dickie and Guerrera, 2004:22). This reform in fact allows private domestic and foreign companies to participate in the business of the state-owned media. Of course, CCTV still keeps control of key broadcasting operations and politically sensitive parts of the television business such as news and current affairs programming.

#### **4 THE MIX OF GOVERNMENTAL DELAY AND MARKET DETERMINATION: MEDIA CONGLOMERATION, CROSS-MEDIA CONCENTRATION, AND CROSS-PROVINCE INTEGRATION**

There are two major types of media concentration- vertical integration and horizontal concentration (Sterling, 2000). The former implies control of the ways of production, distribution, and exhibition; the latter stands for control of multiple outlets of



the same type and 'level', such as commercial television stations or local cable systems. The motivations for the Chinese government to promote the policies of media conglomeration are straightforward. At the economic level, large media firms are needed in order to ensure the most cost-effective possible use of resources because of the availability of economies of scale. Li Yuanjiang, former president of the Chinese first press conglomerate *Guangzhou Daily Group*, declared,

'The most efficient way to boost circulation is to form a press group according to the practice of the international media. In the media sector, economies of scale occur when the total cost of production within one company is less than the sum of the costs of producing various goods in separate companies. Economies of scale occur if the average cost of producing one particular commodity is lower for firms with higher levels of output. If mergers and acquisitions lessen effective competition, the greater monopoly power can be exploited to increase profits.... After joining the WTO, international media giants will penetrate China with their powerful economic strength and mature managerial models. Thus, the Chinese media should focus on competition with the TNMCs. They should be developed following the global media trends.'<sup>3</sup>

The economic logic has an effective impact on the media regulators. As Gillian Doyle argues, a claim emerges like this: 'if promoting cost-efficiency in the media industry is regarded as the dominant policy objective, then encouraging greater concentration of media ownership may be consistent with the public interest.'(Doyle,

---

<sup>3</sup> Quoted by Liang Ye and Zhang Bailing, 'Guangzhou baoye luxian he fang (Where does Guangzhou's Newspapers Go? )', at < <http://www.cddc.net/shownews.asp?newsid=2718>>, accessed on May 7, 2004.



2002:167) Unlike European regulatory systems, which keep a close eye on whether the media moguls with accumulation of media power would disrupt the diversity of public opinion, Chinese media authorities called for both kinds of media conglomeration in the face of international media giants. Li Tieying, former State Councillor in the 1990s, clearly advocated that China should strive to build up a batch of large media groups capable of entering the international market by combining their respective strengths (See Zhao, 2000:3-22). The desire for media conglomerates can be presented in a provision of SAPP, *'Approval for the Establishment of Press Conglomerate in Guangzhou Daily'*. It claims,

'The rapid development of newspapers with more than 2000 titles stimulates fierce market competition under the establishment of a socialist market economic system. It is necessary to set up some socialist modern press conglomerates headed by the party's newspapers.' (Sun Yuanjun, 2002:307)

The same is the cause in the audiovisual sector. Xu Guangchun, Director of the SARFT, maintains:

'There are about 2,300 broadcast TV stations at national, provincial, municipal and county levels in China. They are too weak because of a lack of industrial consolidation among them. This fragmentation handicaps the whole industry and the domestic players fail to compete with the TNMCs. Therefore, they need to join forces to become more competitive. Speeding up the process to establish large-scale radio, television and film groups would be the first task of the State's reform in these industries.' (Quoted by *China Daily*, Dec.7, 2001, p2)

Since the experiment of the *Guangzhou Daily Group* in January 1996, there have been some common features in all media industries by 2004. The seventh study seminar by the CCP's Politburo in July 2003 produced key guidelines for media conglomeration. They include 1) Chinese media must become stronger and larger; 2) they can conduct cross-media operations in publication, newspaper, television, radio, printing, distribution, and so on, to establish some media giants; 3) they can operate across administrative boundaries; 4) they can absorb some social capital to accelerate media expansion (Interviewee 6). This consensus shows that the demand for forming conglomerates from domestic media players in the 1990s was finally met after market forces grew to substantial strength. An increase of cross-geography mergers in the media sector has taken place (Wang Jiangmin, 2003:30-31).

#### 4.1 Guangzhou Daily Group

The establishment of the Guangzhou Daily Group in January 1996 was a typical compromise between the state and the market. The demand for deregulation of media concentration became a main theme of media reforms in the mid-1990s. But the SAPP crushed the bottom-up demands. Under the pressure from media civil society discussed in Chapter Three, the SAPP officially allowed *Guangzhou Daily* to experiment with press conglomeration. According to an insider, there are two factors determining the final approval of press conglomeration: economic strength and party paper. The *Guangzhou Daily Group* met all preconditions (Chao Peng, 1999:109-138). It is under the supervision of the Guangzhou Municipal Communist Party Committee and it was among

the top ten newspapers in terms of advertising revenue during the 1990s. The circulation of *Guangzhou Daily* in 1996 was 610,000 and its advertising revenue was 530 million Yuan (49 million US dollars), much more than the key national party papers, such as the *People's Daily* (80 million Yuan, 10 million US dollars), *Economic Daily* (70 million Yuan, 8.8 million US dollars), and *Guangming Daily* (30 million Yuan, 3.5 million US dollars). It also had six papers and one periodical, with total revenue of 1.2 billion Yuan (150 million US dollars), 15 times the revenue of *People's Daily* (9.9 million US dollars) (Sun Yuanjun, 2002:307-8). In 2003, *Guangzhou Daily* became the third biggest tax payer in Guangzhou, accounting for 200 million Yuan (25 million US dollars) (Interviewee 29). The creation of this press conglomerate was also attributed to the governmental arrangement. In order to reduce the risk of the trial press reform, the SAPP deliberately chose a local party-paper, rather than a national one. In this case, the party and the government were the decisive driving forces to create press groups, rather than the market itself.

However, the increasing market force and the influence of TNMCs cannot be neglected for the creation of *Guangzhou Daily Group*. On the one hand, its heads often visited the foreign press groups. These eye-opening activities resulted in the awareness of media managerial and operative models. On the other hand, with the dramatic growth in terms of circulation and revenue, the domestic players have to adjust their developmental strategies in the face of fierce market competition. In the case of the *Guangzhou Daily Group*, the TNMCs have a certain degree of influence in this creation. What Li Yuanjiang and other media players demand is the allowance for more management freedom and independent editorials. In this sense, the market injects some flesh blood and muscle into



the dying party organs. The *Guangzhou Daily Group* also learned a lot on journalism from the TNMC papers. When official party papers still carry eight to 12 pages daily being sent in batches to state agencies, hotels, and factories, the *Guangzhou Daily* is full of advertising, running to 40 pages on weekdays and up to 70 pages at weekends. At the practical level, media integration provides considerable freedom for media players to operate according to their interests, rather than the propagandists. The *Guangzhou Daily* hired 10 professors in 2001 from journalism programmes at universities in Denver and Missouri, to conduct training sessions for its editorial staff. An interviewee in the group maintains, 'we were printing propaganda in the early 1990s, but have been trying to provide the general readers with what they want.' (Interviewee 29)

After the success of *Guangzhou Daily Group*, the government issued documents relevant to media financing, overseas cooperation and trans-media development, in order to carry out reforms and establish large media groups (*Xinhua News*, Nov.6, 2002). The SAPP approved a grand plan in February 1998. According to '*The Developmental Plan of Press and Publication in 2000 and 2001*', newspaper mergers are encouraged between the party newspapers; by 2000, the number of press conglomerates was intended to increase to 5 or 10; by 2010, the number of press conglomerates with revenue over 100 million Yuan (12 million US dollars) should account for 10 per cent of the total number of newspapers. By August 2003, there were 39 press conglomerates in China, including the *Guangming Daily Group*, the *Southern Daily Group* (*Nanfang Daily group*), the *Yangcheng Evening Post Group*, and the *Economic Daily Group*. All have a series of secondary publications, realizing the benefits of sharing resources and operations on a large scale (Chao Peng, 1999; Sun Yuangjun, 2002).

## 4.2 China Radio, Film and Television Group (CRFTG)

The SARFT encourages media outlets to increase ‘horizontal’ diversity (more choice at the same time) and ‘vertical diversity’ (‘the overall range of content’) (Zhao, 1998). Table 5 illustrates the fragmentation in the broadcasting and television industry. It makes the regulators nervous when it comes to competition with TNMCs (Meng Jian, 2003:223-232). On December 4, 2002, Xu Guangchun, Director of SARFT, argued,

‘[China] should cultivate several media groups with economic strength, market competitiveness, and promising potential. With the development of media conglomeration, there will be a new framework of national broadcasting television being established within several years. Nowadays, the municipal media groups and radio stations, television stations, and network companies at the municipal level are encouraged to merge with the groups at the provincial level. We should transform the governmental functions of broadcasting institutions at municipal and country levels, creating more opportunities for media acquisitions at the provincial level in order to establish more audiovisual groups.’<sup>4</sup>

---

<sup>4</sup> see the official website of the SARFT, at <http://www.sarft.gov.cn/manage/publishfile/10/812.html>, accessed on April 24 2004

Table 5.8 Television institutions and channels in China

Year	TV Stations	Broadcasting Institution (above county level)	TV Channels
2002	358	1412	2080
2001	357	1289	2194
2000	354	1446	1206
1999	352	1562	1108
1998	347	1304	1065
1997	923	2055	1032
1996	880	--	983

Source: Wu Keyu, *Television Economics (Dianshi meiti jingjixue)*, (Beijing: Huaxia Publishing House, 2004), p.123

A state-owned audiovisual group, the China Radio, Film and Television Group (CRFTG), was launched on December 7, 2001, bringing together the country's top broadcasting, film and TV enterprises in a bid to meet greater competition. The new media giant puts together the country's flagship TV channel – China Central Television, two state radio stations -- China National Radio (CNR) and China Radio International (CRI) and some state film and network organs. It has total fixed assets of 21.4 billion Yuan (US\$2.6 billion), it expects annual revenues to exceed 11 billion Yuan (US\$1.3 billion), and its employees to reach more than 20,000. Interviewees point out that this merger, ratified by the central government, is a key step forward for the country's state media to survive in the international competition. It aims to provide better service to its 'billions of audience' and to let 'the voice of China' be more widely heard throughout the world. This reform is also 'to explore the chain of the cinema system, to break regional barriers and unreasonable market monopolies, and to establish a framework of multiple distribution channels.'(Interviewee 7)



Before the emergence of the national ‘flagship’, there had already been four such radio-TV groups in Mainland China. By late 2002, there were 12 broadcasting and television groups. They are China Broadcasting and Television Group and Broadcasting and Television Group of Hunan, Beijing, Shanghai, Zhejiang, Jiangsu, Shandong, Tianjin, Sichuan, Fujian, Chongqing, Hangzhou, Nanjing, and Changsha. In the film sector, there are five groups, including China Film Group and the Film Group of Shanghai, Changchun, Xibu, and Xiaoxian.<sup>5</sup> The reform provides more opportunities for increasing participants in the marketplace. In late 2003, the state-owned China Film Group (CFG), established in 1999, was selected to be a cultural enterprise to be partly privatised as an experiment. In late 2003, it signed an agreement with Jiahe Group, a Hong Kong based audio-visual producer, cooperating with its overseas distribution and exhibition network. The deal was an effort to try erasing China’s embarrassment at having only 1 million Yuan (12,000 US dollars) in film exports. The cooperation with Time Warner, Sony, Kadoka, and CDM in 2004 even covered the whole process of production, distribution, exhibition, rent of equipment, and production base. In addition, it also allied with private studios, which invested 150 million Yuan in movie production, 75% of the total in 2003 (Qiu Hongjie, 2004). This transformation of corporation governance resulted in an obvious outcome, in that 50 movies were produced in 2003, half of them by Chinese film producers. It also generated increasing revenues amounting to 200 million Yuan (25 million US dollars) in 2003. *Mobile*, directed by Feng Xiaogang, generated 50 million yuan (6.4 million US dollars) box office revenue nationwide, the same as *Harry Potter* in China (Qiu Hongjie, 2004).

---

<sup>5</sup> Sources are from the official website of SARFT, at <<http://www.sarft.gov.cn/manage/publishfile/10/812.html>>, accessed on April 24, 2004.

### 4.3 Cross-province Integration

The Chinese media, because of their small size, could be easily destroyed or swallowed up by foreign media giants. In order to avoid this, Chinese media are uniting and expanding their size before the arrival of international counterparts. The prohibition against cross-regional mergers and acquisitions was lifted in the early 2000s. An interviewee states:

‘The establishment of several vigorous publishing corporations was a turning point. The media industry was urged to activate their capital and achieve openness and union. The experimental units of those corporations must make some breakthrough in their cross-regional and cross-media operation, and they should also improve their competitiveness in the market.’(Interviewee 30)

Along with the foundation of a few newspaper groups, several Chinese cross-regional and cross-media corporations are emerging. Horizontal concentration is the first step in this move. The *Southern Daily Group* started the preliminary operation in 2001. In cooperation with an IT firm *Qingniao*, its popular tabloid, the *Southern Metropolis Papers* (*Nanfang Dushibao*), merged with a paper under the *People’s Daily* in 2001. Borrowing the operative model from *Nanfang* and capital from *Qingliao*, the renewed *Beijing Times* (*Jinghua shibao*) has become one of the four most popular tabloids in the capital city. In November 2003, the *Southern Metropolis News* acquired *Life Times* (*shenghuo shibao*), a subsidiary of *Guangming Daily*, and renamed it as *New Capital Paper* (*Xinjingbao*). After changing its editorial style from popular to quality, the



*New Capital Paper* has become an elite paper in Beijing, taking the place of the *Guangming Daily*, *People's Daily*, and *Economy Daily*. Beyond establishing local papers, the *Southern Daily Group* attempted to establish new nationwide papers, though the authorities often frown on its aggressive expansionism. After dominating in the weekly newspaper market with the *Southern Weekend* (*Nanfang Zhoumo*), several key staff members split off and set up a new economic paper, *21st Century Economy Herald* in early 2001. This elite paper was a weekly after its debut and soon became a two-issue-weekly to meet the market demands. The success stimulated bolder expansion. It spun off the *21st Century Global Herald* in late 2002, though it was purged in March 2003 because of its political challenge to the ruling CCP (this event will be further discussed in Chapter Six). In July 2003, it cooperated with *Wenguang Media Group* in Shanghai, and launched a quality daily, *Oriental Morning Post* (*Dongfang Zhaobao*). However, it withdrew in later 2003 because of intervention from Shanghai's government. The other media also have ambitions to expand their scope and scale across administrative and geographic boundaries. *Oriental Outlook*, a news weekly launched in August 2003, is an arm of Xinhua News Agency. But its headquarters are located at Shanghai, rather than Beijing, where its parent organization is headquartered. According to insiders, the reason for choosing Shanghai as its headquarters was straightforward:

'The local media authorities could not regulate it effectively, although they are dissatisfied with our liberal, independent editorial style, which is completely different from the traditional Xinhua mouthpiece style. For instance, we selected Taiwan's issues as the cover story in the third issue in 2003 and put up Chen Shuibian as a cover person. It is a bold trial that the Chinese media have never



experienced. The Shanghai propaganda authorities are angry with us. However, they have no effective measures to regulate us, because we belong to Beijing's Xinhua News Agency.'(Interviewee 3)

In this perspective, cross-provincial integration in the name of strengthening domestic media units empowers the Chinese media to enjoy more liberal operations. The more market power they have, the more press freedom they may claim. Some media outlets within the cross-regional and cross-media integration, for instance, the *Beijing Times (Jinghua Shibao)*, enjoy limited editorial and financial independence. It makes it difficult for local propagandists to supervise such media due to the lack of regulatory systems.

The same as in the newspaper and publication sectors, the climate of the television industry in 2003 improved and local satellite television began to operate on a cross-provincial basis (Shi Yan, 2003; Ma Li, 2003). As Director of Guizhou TV Station Li Xinmin asserts, 'it is a new trend of China's television industry.'( Li Xinmin, 2003:146) On October 23, 2003, Shanghai Oriental Satellite TV made its debut with the English named 'Dragon TV', which presents its ambition to establish 'a worldwide Chinese television channel'. Oriental Satellite TV covers the whole Chinese market, taking the monopoly CCTV as its major rival. Meanwhile, Hunan Satellite TV was renamed 'Chinese Hunan Satellite TV' with the intention to win a nationwide market beyond the provincial boundary. It has gained access to 329 cities with a high reception ratio of 99.1% (Yin and Li, 2004:1).

Cross-media operations or media convergence is an intention that the media

practitioners attempt to expand their market power and the regulators expect to create strong media units against the TNMCs. Some media players argue that,

‘in the face of the competition with international film and television, the reforms of China’s film and television should boldly restructure media groups and transform the whole media system in production, distribution and promotion. The convergence between print, television, and film will benefit each other.’(Xu Guangchun, 2000:440)

According to a survey by the Beijing Broadcasting Institute in 2000, 65 per cent of the presidents of provincial television agree with horizontal mergers and acquisitions across geographic areas; 53.6 per cent of them agree with cross-media expansion within the same location; and 66.1 per cent of them agree with cross-media and cross-areas expansion. Only 11.9 per cent are against it (Wang and Zhou, 2003: 25). After its establishment in 2001, the China Broadcasting Television Group became a cross-media conglomerate owning television stations, radio stations, publishing houses, newspapers, and magazines. It is worth pointing out that the toleration of cross-regional and cross-media operations depends on the local social-political climate. Under the supervision of some liberal local governments such as Guangdong Province, the media have more freedom in accordance with the rules of the market economy. But in other conservative areas, local governments are still the decisive factor determining the ways the media operate and even the editorial styles.

The vertical integration provides more space for political liberation, though all of them seem to pursue cautious economic market reforms. The vertical integration between



various media organizations provides more space for political liberation, though all of them seem to pursue cautious economic market reforms. It can be seen as an effort from below to affect institutional arrangements, as some claim.

Media conglomeration concentrates media ownership. It is often conducted through internal growth, mergers and takeovers. The main benefits for firms to expand their size are to increase efficiency and market power, to re-use the same product in a different form and spread production costs across a wider product and markets, to diversify their interests, and to dilute their risks. However, media conglomeration in China has rich implications beyond media economics. It is a mix of party logic, economic logic, and media logic. The party have learned a lesson from the student movement in 1989, and hastened to modernise its media operations through high-tech and organizational expansion to better compete with the Western TNMCs. Media conglomeration has been justified under the international competition and the pressure from globalization. With the abandonment of low-budget propaganda, the party tries to increase the capitalization of its mass media to 'ensure wider circulation, higher production values, faster delivery, and better packaging of content' (Zhao, 2000:17). It is a kind of Party Inc., which enables the party and the government to take easier control of the media industry (Huang, 1994). The organizational transformation of the mass media from commercialization to conglomeration is a transition within the orbit of the one Party state (Zhao, 2000). The regulators like SARFT played the role of administrator before media reforms but they tried to act as practitioners during the creation of media conglomerates. They are not only the referee but also players who step on to the playing field for the sake of legitimising their monopolies (Wang and Zhou, 2003:25). If the media industry gains stronger



independence from the government politically, it will intuitively seek greater interest according to modern economic and media logic.

## **5 OWNERSHIP OF THE MULTI-STRUCTURED AND MULTI-TIERED MASS MEDIA IN CHINA**

Some scholars classify Chinese media into two types: commercialised media and non-commercialised (Yu Guoming, 2002: 2). Some categorize them as the organ media, unofficial influential media, and pop media (White, 1990: 88-110). These classifications are straightforward, but they are ambiguous due to the fact that all media including the *People's Daily* have more or less commercialised revenues from advertising or other operations. It is necessary to reclassify the media types. According to the diversification of media ownership, there are four categories of media outlets. They are transitional state-owned media, public-owned media, private-owned independent media, and foreign-owned media. Although the Party has not allowed any independent media, Chinese media systems became multi-structured and multi-tiered in the new century. It can be called 'one body, many heads', in which the government still claims all media are state-owned but media ownership has become diversified.

### **5.1 Party Media in Transition**

The transformation of the state-owned media was and still is the main theme in Chinese media politics. The unchangeable transitional direction is to transform from a

complete propaganda instrument under the planned economic system, into market-oriented media with limited financial and political independence. During the period from 1992 to 2004, Chinese state-owned media experienced three periods of transformation, which are commercialization, conglomeration, and convergence.

Some new trends in media commercialization have appeared since the 1990s. First, media revenues became diverse, replacing the previous model of sole governmental subsidies. Now revenues can be generated out of advertising, information provision, printing, and so on. There are more than 20 media groups whose advertising incomes were over 100 million Yuan (12 million US dollars) in the latter part of the 1990s. Second, the media content became more appealing to the masses. From the mass appeal-driven 'weekend sector' in newspapers and the dancing-and-singing parties on TV screens in the early 1990s to the blooming metropolitan papers and game shows on TV screens in the late 1990s, the state-owned media changed their editorial direction from boring, simple propaganda messages to relaxing, entertaining, and informative content. Third, the content providers are from multi-channels. Media content does not only depend on state-owned units but also on other units including private media and TNMCs. Fourth, the distribution network became diverse. Even the *People's Daily* had to seek more circulation on the streets from May 2004.

Conglomeration and convergence are results of the new administrative institutional arrangement and the self-improvement of party media players for the sake of reallocating media resources. For instance, the Shanghai Broadcasting Bureau became the first institution in June 1997 to manage the entire state-owned media outlets in Shanghai's audiovisual sector. It was transformed into a media conglomerate, the *W'enguang Media*

*Group*, consisting of several television broadcasting stations and a few print outlets. With the institutional arrangement, the state-owned media have the majority of the market share. In the television sector, CCTV owns 40 per cent of total television advertising. In the newspaper sector, the top ten state-owned newspapers own 42.15 per cent of newspaper advertising in 1999, which is 470 million Yuan (58 million US dollars), and the top 33 account for 71.48 per cent of advertising revenues (Yu Guoming, 2001:13). The domination of state-owned media is attributed to institutional arrangements. The government's measures aim to retain its economic strength and ideological hegemony. As some local television stations are unwilling to rebroadcast CCTV's programming, they insert their own advertising in between the CCTV programmes. The CPD and the SARFT then endorsed a few documentaries and ordered the local stations to rebroadcast CCTV's programming and advertising without any preconditions (December 1993, August 1995, June 1996, and July 1998) (Qian Wei, 2002:175). In this perspective, the media reforms are dominated by the party (Zhao, 2000), or restructured as 'Party Inc'. As table 5. shows, in terms of political importance for CPD and CCP, the most influential media in China are still state-owned (interviewee 1 and 2). The state-owned media firms have achieved more positive productivity in terms of technical performance. The growth in capital, labour, and other productivity elements has been positive, at least according to some estimation. But their financial performance is poor. While many institutional impediments constrain the growth of private media firms, the effectiveness of Chinese state-owned media is also abnormally low, leading to much loss of market share after the late 1990s.



**Table 5.9 Most Influential State-owned National Media in China**

Media	Ownership
<i>CCTV</i>	SARFT
<i>People's Daily</i>	CPC
<i>Xinhua News Agency</i>	The State Council
<i>Economy Daily</i>	The State Council
<i>Qiushi Magazine</i>	CPC
<i>The Central People's Radio</i>	SARFT
<i>Worker's Daily</i>	ACFTU
<i>Youth Daily</i>	CCYL
<i>Liberation Army Daily</i>	CCPC

Note: The interviewees in the CPD took 'political importance' for the CCP and CPD to measure media influence of the state-owned national media.

Source: Interviewee 1 and 2; Zhou Wei (ed.), *Meiti Qianyan Baogao (The Frontier Report of China's Media Industry)* (Beijing: Guangming Daily Press, 2002), p5.

There are some fresh debates on the Party media in the early 2000s. In the academic field, some suggest that only the Party media are necessary to propagate Party policies, and other media should be allowed to report and comment independently within the boundaries of the law (Sun Xupei, 1998). Some argue that together with the *People's Daily* there could be one party-paper at the provincial level and the others could be completely commercialised (Interviewee 51). For the regulators, although it is widely recognized that the party should tightly control all media, an impressive objective emerges in the third press reform in 2003. The central government plans to end its direct financial support to, and mandatory subscription requirement of, all but three newspapers and two journals. The government will continue funding the *People's Daily*, official newspaper of the Party's central committee, and the committee's journal, *Qiushi*. Each provincial Party committee can continue operating one newspaper and one journal. Each municipal Party committee will be allowed to operate one newspaper. County-level governments and Party committees will not be allowed to operate publications.

Government departments will be punished if they are discovered trying to force people to subscribe to newspapers under their control. The implementation of the detailed rules caused more than 387 newspapers to be shut down in late 2003 (*China Daily*, Aug.5,2003, p.4). The authority in Hunan Province of Central China closed 56 unprofitable newspapers and magazines (*China Daily*, Aug.5,2003, p.4).Of course, resistance by some media outlets - especially heavily subsidized publications – impeded the reform. A young official suggests:

‘We should consider the possibility that the party only owns the *People’s Daily*, in which all party and government policies are promulgated. It could be non-commercialised. It could be funded by full subsidy and it could even be given away. If the local governments or other institutions want to know our policies, the *People’s Daily* should satisfy them. Without any mediators, the party and government policies can be effectively diffused from top-to-bottom. It can save a lot of subsidies, reduce the whole administrative cost, and increase administrative transparency.’(Interviewee 1)

## 5.2 Public Media

After the closure of the *World Economic Herald* in spring of 1989 by the Shanghai Party Committee, the Chinese semi-official press kept silent for several years.<sup>6</sup> However, the calls for further reforms and more openness in 1992 stimulated a wave of establishing semi-official media, including specialized newspapers outside the party departments at different levels. Beyond that, the amazing thing is that some media

---

<sup>6</sup> The semi-official press is the papers which are not controlled directly by the party’s organs. They can enjoy more freedom in terms of editorial and management operations.

corporations have been listed on the stock markets in recent years. According to a survey of the key members of national television stations conducted by Dr. Lu Di, more than half of respondents (54.7%) suggest that television stations could be 'public-owned' (*gufenzhi*), only 23.8% of respondents like 'state-run' (*gongying*), 19% of respondents favour 'commercial television', and 4.76% suggest 'privatization' (*siying*) (Lu Di, 1999:85). Table 5.9 demonstrated some of the most influential public media in China in terms of subscription and advertising revenue.

In practice, by allying with financial institutions, some state-owned media organizations become public media corporations. It was in 2001 that the State Commission of Securities enacted a prospectus for investment, regarding the mass media as its main potential listed industry. Before that, there were some experiments. Shanghai Pearl Limited Company (*Shanghai mingzhu*), was established and listed on the Shanghai Stock Market in August 1992. The first listed media company sold 40 million shares to the public and collected 204 million Yuan (25 million US dollars). It has its independent institution, independent management, and economic autonomy. The listed media launched Shanghai Oriental Radio Station in October and Shanghai Oriental Television in the following spring. Its Oriental Radio soon became the most popular station in the Shanghai area with fresh programming formats such as phone-ins, creating some kind of public sphere (Interviewee 31; Zhao, 1998:chap.4). Following Shanghai Pearl Ltd., the CCTV spun off one of its programming production companies, Zhongshi Media, which was listed on the Shanghai Stock Market on June 16, 1996. A big step was taken on March 25, 1999, when Dianguang Media Ltd. was listed on Shenzhen Stock Market. It was the first public corporation that engages in the whole media chain of programme



production, distribution, promotion, and advertising with television stations, newspapers, and magazines. It was said that Dianguang was permitted to be listed on the stock market by Premier Zhu Rongji (Interviewee 33). In 2002, Dianguang signed a contract with Murdoch's News Corp to establish a strategic international alliance.

Moreover, together with nearly 20 listed companies involved in cable television (*Caijing Shibao*, March, 15, 2003, p.5), the newspaper sector has become an attractive field for listed companies since 2001. Cooperating with *The People's Daily*, the flagship of the CCP, a commercial company based in Beijing, *Beidaqingniao*, invested 50 million Yuan (6 million US dollars) to establish a newspaper, *Beijing Times*. Meanwhile, Sanlian, a retailing giant in Shandong Province forged a financial newspaper, *The Economic Observer*, allying with an existing newspaper at a cost of 5 million US dollars. Together with the Southern Daily Group, *Fuxing*, a listed high-tech corporation in Shanghai Stock Market, invested nearly 150 million Yuan (19 million US dollars) to establish the *21<sup>st</sup> Century Economic Herald* in 2001 (Interviewee 27). Both the *Economic Observer* and *21<sup>st</sup> Century Economic Herald* became well-known elite papers. According to the governmental arrangements, some media groups, such as Xinhua Book Store, are expected to be listed on stock markets (Zhou Weihua, 2004:15-16). Some of them even have been and continue to be listed on overseas markets. For instance, *Beijing Media*, based on *Beijing Youth Daily*, was listed on Hong Kong Stock Market in December 2004.

**Table 5.10 Most Influent Public Media in China**

Media Corporation	Ownership	Media outlets	Annual revenue in 2004 (RMB, million)	Annual revenue in 2003 (RMB, million)
<i>Beidaqingniao</i>	List on Shanghai Stock Market	<i>Beijing Times</i>	2,425	3,154
<i>Fuxing</i>	Listed on Shanghai Stock Market	<i>21<sup>st</sup> Century Economic Herald</i>	2,291	1,782
<i>Sanlian</i>	Listed on Shanghai Stock Market	<i>The Economic Observer,</i>	1,186	747
<i>Shanghai Pearl Limited Company</i>	listed on the Shanghai Stock Market	<i>Oriental TV, Oriental Radio</i>	1,089	780
<i>Dianguang Media Ltd.</i>	Listed on Shenzhen Stock Market.	<i>Hunan Satlite TV, Hunan Economic TV</i>	987	968
<i>Beiqing Media</i>	Listed on HK Stock Market	<i>Beijing Youth Daily; First Financial Daily</i>	790	720
<i>Gehua Cable</i>	Listed on Shanghai Stock Market	<i>Beijing Cable Television; TPTV.</i>	722	669
<i>Borui Communication</i>	Listed on Shanghai Stock Market	<i>Chendu Business Paper; IPTV</i>	398	346
<i>Zhongshi Media</i>	listed on the Shanghai Stock Market	Programmes provider for the CCTV; Advertising agency	359	310

Source: Corporation Annual Report posed at various companies' official websites.

Although the state owns the majority (no less than 51 per cent) of the company shares, the listed media at least moved the first step toward media privatization according to Company Law. Private property is protected by the new Constitution in 2004. Yu Guoming, a scholar in the People's University, argues that the decision to turn newspapers and magazines into businesses means the law will recognize capital invested in the media (2004: 69-74). Accordingly, the state is not the only owner of media companies. Any non-state investor can partly own these companies via the stock markets. Document No. 17 issued in 2001 lifted the previous restrictions on media investment, though foreign and private investment is excluded from media content production. The

powerful financial institutions that were aligned behind the profitable press industry introduced a new dynamism into China's media sector. The stable investment by large commercial companies helped to offset the fact that media revenues were notoriously vulnerable to the periodic ups and downs of the advertising market. The financial independence provides preconditions for independent journalists. They enjoy an unusual degree of autonomy compared to other party media, enjoying freedom to recruit a group of young, well-educated, experienced, dedicated, and reform-minded media workers. As some commentators point out, the proportion of shares held by domestic individual shareholders and large institutional investors is negatively related to the party's level of decision-making power (Wong *et al*, 2004:29-66). Moreover, the influx of capital brings about more commercial resources and brand new management concepts to the media, giving the whole media industry, a great impetus.

### 5.3 Independent Media

*Caijing*, a business magazine based in Beijing, was launched in April 1998. It monthly distributed 80,000 copies nationwide from 2001. It is owned and published by the Beijing-based Stock Exchange Executive Council, which was set up by a group of private investors despite its official name. Adhering to the principle of 'Independent Standpoint, Exclusive Coverage and Unique Perspective', *Caijing* has become an authoritative title delivering thorough and in-depth analysis on China's current economic issues and events, uncovering rarely known facts that the official media never discovered. Many of its articles have a profound impact on China's economic reforms. Its cover stories are usually unique, authoritative, sophisticated and detailed stories or analysis of



the hottest topics or people of the time. For its professional excellence in journalism, especially for its bravery and objectivity, *Caijing*'s editor-in-chief, Hu Shuli, was named as one of the Stars of Asia by Business in July 2001. She states:

‘In this country, all media are guided by the government in one way or another. But we have no direct or indirect relations with the government.... With the rationalization of independent intellectuals, *Caijing* attempts to pose influences on political institutional choices with media logic. It may be said that China could not establish a good market-oriented economy, but we try our best to objectively record the difficult national transition.’ (Interviewee 35)

**Table 5.11 Most Influential Independent Media in China**

Media Corporation	Ownership	Media Outlet	Annual revenue in 2003 (RMB, million)
<i>Xingmei Media</i>	Qin Hui	Movie, TV programme, Entertainment	320
<i>Guangxian Communication</i>	Wang Changtian	TV programme producer and provider for 200 channels	205
<i>Zhongxin Culture</i>	Li Bolun	Movie, cinema, Travel TV	203
<i>Oriental Chiwen (dongfang chiwen),</i>	Ma Zhongjun, Tie Fo, and Hu Ximin	Film, drama, television programmes, audiovisual distribution	200
<i>Hai Ren</i>	Liu Yanming	Film, drama, advertising	190
<i>Dragon International</i>	Lu Xingdong	Viacom programme distributor; programme producer and provider for 100 channels	150
<i>Modern Media Group</i>	Shao Zhong	<i>Modern Weekly, The Outlook Magazine, City Magazine</i>	102

Source: *Beijing Entertainment Paper*, May 17, 2004, p.2; Interviewee 8; Corporation Annual Report of posed at their official websites.

Like *Caijing*, some new elite newspapers and magazines such as the *Southern Weekend*, *21st Century Economic Herald*, *the Economic Observer*, *New Capital Post*, *Oriental Morning Post*, and *Oriental Outlook*, have a strong and clear brief to be

independent media. With freedom granted by the authorities, their in-depth reporting is about business, social issues, and maladministration at a low level, rather than politics or international relations or human rights.

The market forces have become so strong that the government could not retain the initial regulations blocking the independent media (Table 5.11). In recent years, private investment rushed into film, television programming, advertising agencies, cable networks, publication, and periodicals (Song and Zhou, 2003). The number of audio studios outside television stations in 2001 reached 1100. Two-thirds of them produce TV drama and the rest produce feature programming. 43 per cent of these so-called social studios are invested in by private individuals. 26 per cent of them are owned by public companies, 15 per cent of them belong to state-owned units, and foreigners own 6 per cent. In 2001, they provided 21.6 per cent of the whole programming in China, including soap operas, drama, entertainment, financial information, life style and fashion (Wu Keyu, 2004:118). In other words, the independent audio studios win a large share of television programming production. Some of them, such as 'Guangxian Communication', 'Dragon International' and 'Zhongxin Culture', have great market strength equal to medium-sized state-owned media institutions (Xie Jiu, 2003: 28-31). Guangxian Communication, for instance, has daily three-hours production, nationally feeding 230 TV stations. Its advertising revenue in 2002 was more than 100 million yuan (12 million US dollars).<sup>7</sup> In 2003, the most successful feature films were produced by Chinese private companies. For instance, New Image (*xinhuamian*)'s *Hero* had box office-revenue of 250 million yuan (30 million US Dollars), accounting for 25 per cent of the whole box

---

<sup>7</sup> see official website of Guangxian Communication, at< <http://www.a.com.cn/cn/rcxx/qyzp/200204/020408zp01.htm>>, accessed on Jan.23 2003.



office-revenue in Chinese cinema (Cui Li, 2003: 70). Private companies become dynamic agents to introduce TNMCs into China's media market. Dragon International is the biggest agent of Viacom with 100 television clients nationwide. In September 2003, the SARFT offered licences to 8 private audio-video studios, allowing them to produce television drama. The vice president of SARFT explained that it was a landmark in China's media industry because it was the first time that the government allowed non-state-owned studios to take part in 'mainstream' media production (*People's Daily*, Feb.9, 2004, p.5). The purpose of this institutional arrangement is to create more market competition and help restructure the outdated media systems. The governmental decision to separate programming, broadcasting and distribution networks from the late 1990s, provides more opportunities for the independent media and private investors. If the private sector moves legally into all media fields, the state-owned units may not be capable of competing with them. In operation, the private sector has begun to consolidate their strength via conglomeration. In May 2003, three private media companies in Beijing merged into a media group. The new company, Oriental Chiwen (*dongfang chiwen*), has more than 10 studios with annual revenues of 200 million Yuan (25 million US dollars). Its business covers film, drama, television programmes, audiovisual distribution, entertainment, and advertising (*Beijing Entertainment Paper*, May 17, 2004, p.2). The merger, combining a group of experts in media production, distribution, and promotion, poses heavy pressures on the state-owned companies in the same sector. After a long negotiation between the private sector and the regulatory authorities, local private companies were finally allowed to develop pay-channels jointly with state-owned companies. It is a reform aimed at helping attract investment needed to fund China's



ambitious plans for the expansion of pay- television and digital TV services. An interviewee worried that, 'If state-owned media enterprises cannot perform well in the marketplace and there is no viable domestic private sector, the media industries will by default become mostly foreign-owned.' (Interviewee 8) Therefore, the media authorities expect that a dramatic increase of television business in the private sector would raise the quality and quantity of the content produced for the local market.

#### 5.4 Foreign Media

The WTO entry poses a heavy impact on the future of the Chinese media industry. The institutional arrangements have made and continue to provide more opportunities for TNMCs in China (Zeng Huaguo, 2004). To some degree, they have already become involved in the business of direct satellite television, television programme, publication, periodicals, film, and so on (Wang Yibao, 2003:84-86; Shi Yan, 2003:32). Table 5.11 demonstrates some of the most influential foreign media in China in terms of their popularity in the Chinese media domain. By early 2004, there were three models for foreign media to filter into the Chinese market. They are: direct broadcasting, cooperation with domestic television channels, and selling programmes to domestic TV and hotels. The first model, of course, is the priority for all TNMCs, but it is strictly regulated. Until now, there are no foreign-owned channels directly broadcasting in China except STAR and CETV. The second model is structural alliance. After a year-long negotiation, News Corp. made a deal with Hunan Broadcasting and Television Group on December 19, 2002, to build up a strategic alliance for cooperating in programme production. The latest model is the sale of television programmes. In short, the increasing number of export

films from 20 to 50, permission for foreign investment in cinema, programming production, media sales, and so on, and the permission for 31 foreign satellite channels (discussed in Chapter 3) in limited locations demonstrates the trend that foreign media would increase their strength. Meanwhile, TNMCs are allowed to control a majority of shares of cinema joint ventures. For instance, Warner got permission to invest ten cinemas in China (Shi Yan, 2003:32.). From 2004, China relaxed the ban on inflows of overseas capital into the country's shares as the Qualified Foreign Institutional Investor scheme (QFII), whereby licences are given to some international investment banks like Merrill Lynch. Accordingly, overseas institutions can invest their own funds and their clients' funds in China's A-shares, including listed media companies (Guerrera, 2004:30).

The TNMCs accumulate powerful market strength in some media fields. As Chapter Four has mentioned, *Computer World*, an information technology newspaper under the joint company of American-based International Digital Group (IDG), was the first newspaper to get official licences from the SAPP (Huang Shengmin, 2003:238). By 2004, the joint venture has 16 magazines and six of them have become top-ten firms with the highest advertising revenues in the periodical market. Bertelsmann Intel established a joint venture with official China's Technology Publishing Company in the early 1990s, becoming the first TNMC involved in the publication sale market. It will bring its 100 titles of press and magazines issued worldwide into China as the country lifts its entry restrictions. The reasons that TNMCs easily succeed in China's market are straightforward, as an interviewee points out:

'They [TNMCs] have completely succeeded in the magazine market except news and current affairs. By 2004, most of the international magazine giants extended their



networks in China. They have many advantages including 1) reliable international brands; 2) rich information sources; 3) powerful economic strength; and, 4) mature marketing skills.’(Interviewee 13)

Table 5.12 Foreign Media in China

Media Corporation	Ownership	Base of Headquarter	Media outlets in China
IDG	---	USA	<i>Computer World</i>
News Corp.	Rurpter Murdoch	USA	<i>STAR TV,</i> <i>Phoenix TV,</i> <i>Xinkongweishi</i>
Time Warner	-----	USA	<i>CETV, Ciname</i>
Viacom	Summer M. Redstone	USA	Programme provider of music, children’s programmes, and entertainment
Bertelsmann	Bertelsmann Stiftung, Groupe Bruxelles Lambert and the Mohn family	German	Publication, Book distribution
Disney	Disney family	USA	Children’s programmes
Hachette Fillipacchi	-----	France	20 fashion magazines, e.g. <i>Elle.</i>

Note: It is difficult to get information about TNMCs’ annual avenue in China, so, here I select some of TNMCs which have outstanding performance in the Chinese media domain.

Source: Huang Shengmin, 2003:238; Interviewee 13; Shi Yan, 2003: 32.

6 CONCLUSION

This chapter has examined the extent to which the monopoly of the party media system has been weakened. It argues that the marriage between the globalization and commercialization has created dynamic media changes in China, leading to a fragmented and decentralized media system that undermines the monopoly of party organs. In other words, globalization and TNMCs have profound influence on China’s media governance directly and indirectly. As a strong catalyst, the TNMCs arouse the awareness of market



effectiveness, accelerate the process toward commercialization, and shape the basis of media restructuring. The de-regulation generated duopoly, oligopoly, and in a few cases potential diverse ownership. The restructuring redistributes and transfers the political powers between different actors. The limited media liberalisation precedes the other key reforms of socialist transition, which are the reform and/or privatization of the state-owned media sector and the development of an indigenous media capitalist class. Although the authoritarian government tried to employ media conglomeration to enhance its political control and facilitate economic strength in order to compete with TNMCs, this process, as Yuezhi Zhao (2000:3) recognizes, has ‘profound implications for emerging class and power relations in China’.

This chapter has also argued the structural changes of the Chinese media market from 1990s, which provide much more access diversity than before. Access diversity is a key factor for establishing a well-informed citizenry. For attracting audience, the media gatekeepers have an incentive to exclude divergent viewpoints. Therefore, it has been measured on an underlying dimension of political concerns. The transformation of the relationship between the governed and the governors represents a reduction in information control, the loosening of conventional propaganda rules, and the sign of evolution toward diversity, in which there are increasing actors participating in media governance. It always assumes that the decentralization and de-monopolization tendency is the main focus during the restructuring, together with a commitment to the demands of the market.

Therefore, this chapter has opened up a crucial question whether or not the relationship between media ownership and media content is intimate. Some scholars

argue that the commercialised restructuring is a redefinition of the party for the news media, rather than ideological relaxation, liberalization, or democratisation (Zhao, 2000). The structural diversity does not 'imply the Western sense of relative autonomy', but stands for a division of labour to 'carry out Party-defined goals and tasks' (Lee, 1990:16). However, others assert that the relationship between media ownership and media content is intimate. Gillian Doyle (2002:13) argues, 'it is no easy task to isolate the role played by ownership patterns in determining what range of media output is made available to the public.' This assumption will be examined in Chapter Six.

## **CHAPTER SIX**

### **DE-PROPAGANDIZATION OF MEDIA CULTURE**

#### **1. INTRODUCTION**

Media globalization has a profound influence on the transformation of media governance in China. This can be presented as the increase of differentiation and functional specialization of institutions, media deregulation and re-regulation, de-monopolization of media structure, and de-propagandization of media culture. The previous chapters have examined the impact on media institutions, ownership, and market structure. This chapter will explore de-propagandization of media culture in China, that is how media globalization affects the Chinese media performance and media culture. Through examining the changes in media content in television and newspaper, it argues that the power relations between regulator, media producer, media carrier, and media consumer have institutionally been transformed from the top-down model (the regulator decides what the producer products and what the audience consumes) to the bottom-up model (the audience determine what the producer products), or at least a mix of the two. It includes three dimensions.

Firstly, in comparison with the previous party organ sector, the impact of globalization on the Chinese media would be that after the restructuring the media focus mainly on minimizing party propaganda and maximizing audiences. As Chapter Five has



showed, with the marriage between globalization and commercialization, the monopoly of the party media system has been transformed into a fragmented and decentralized media system. Unlike the party media before the 1990s, nowadays there are four kinds of media: party media, public media, private media, and foreign media. Cooperating with the provincial and local media, TNMCs penetrate into most of the provinces in China. In this way, the media structure is transformed from a party-monopoly into dualistic systems. This chapter argues that the increasing foreign media have an effect on content of Chinese media, the decentralised and demonopolized media system creates a dynamic of media culture, and this dynamic becomes institutionalized. Moreover, the increase of entertainment-driven media content, which is a result of transformation of the journalistic ethic in the course of globalization, has led to a popular political culture where greater time and space are devoted to entertainment, rather than news, current affairs, political analysis, etc. It can lead to the ‘dumbling down’ of Chinese society, making people less sophisticated in the ways that they think about politics.

Secondly, the Chinese media practitioners have gradually given up the priority of propaganda media styles, and the hegemony of communist media culture has receded. Before integrating with the global community and defending the exclusion of TNMCs, the media culture in the PRC always sang a monologue as a mouthpiece of the party--- a propagandist, an agitator and an organizer---an instrument to control public opinion rather than express it (Qian Wei, 2002:chap.1). This chapter argues that globalization has significant influence on Chinese media culture. After China implemented the open-door policy and took economic reforms in the 1980s, some of Chinese media tried to copy Mikhail Gorbachev’s policies of *Glasnost* and political reforms. The 1990s witnessed the

diversity of social changes, privatization, commercialization, globalization, individualism, cynicism, and so on. Recently, the appearance of TNMCs has led the Chinese media to experience rationalism, constitutionalism, and pluralism after increasing numbers of media practitioners have been trained in western media institutions, universities, and media outlets. As a result, Chinese media practitioners gradually gave up the priority no propaganda media styles. This process of globalization in Chinese media culture can be called ‘de-propagandisation’ or ‘apoliticalisation’, where the media practitioners attempt to break the direct connection between a popular press and the propaganda institutions, and give rise to the provision of neutral, human interest, mass appeal media content in the form of accurate, fact-based information presented by professionals. It benefits a lot from the introduction and acceptance of the norms of Western journalism—objectivity, neutrality, and factuality. But it also suffers from sensational and entertainment-oriented approaches associated with the commercial rules of TNMC business. All these may make China’s media culture more ambiguous, blurred and contradictory. The market logic of TNMCs regards pursuing profit as the primary goal, implicitly denying any other communication purposes that the media should usually prioritise. Whatever regulatory measures are in place, there are a few opportunities for media owners to assert a direct or indirect influence upon the content and the agenda of products they own.

Thirdly, the impact of globalization on Chinese media culture can be reflected in changes in journalism. During the transformation of Chinese media, journalists sometimes act as Walter Lippmann’s ‘fourth estate’, or ‘watchdog’ (Lippmann, 1927), or Wei Jingsheng’s ‘fifth modernisation’,<sup>1</sup> where news media provide checks and balances

---

<sup>1</sup> Wei Jingsheng is a Chinese democratic activist. In 1979, he claimed that democratization is the fifth modernization in China, together with official agriculture, industry, military, and technology modernization. After being sentenced to 14



vis-a-vis established political and economic powers. This chapter argues that the instituted media deregulation and de-monopolization, which have been discussed in Chapter Four and Chapter Five, has led to a 'de-propagandization' and even 'vulgarization' of media content for the sake of maximizing audiences. The CCP has retained editorial control and the cash-strapped government has announced that it wants the press to support itself financially and even become an industry contributing to national economic building. Led by the TNMCs, Chinese media practitioners have attempted to escape from the yoke of ideological control and enjoy the freer market. The result of media globalization in China is that cultural and news products are being commercialised and professionalised. It does have complicated and far-reaching implications for the future of Chinese society (Qiu Liben, 2003; Zha, 1995). These products may become a significant vehicle for transferring power via the mass media from the state to society. Chinese media practitioners have struggled and continue to struggle to balance their gains and losses.

This chapter first presents the content of TNMCs in China, which has led to the decline of mainstream propaganda and the rise of mass appeal media content, the CCTV adjustment and the Hunan TV miracle. After examining performance in the Chinese media, particularly in television and newspapers, this chapter probes the changes of journalistic ethics, which would affect the media reforms in the future. Furthermore, it will ask in the increasingly institutionalised social-political situation, how does China make progress in terms of media culture in press freedom and media law.



## **2 THE RISE OF MARGINALIZED CONTENT AND DECLINE OF MAINSTREAM MELODY**

This section accesses the impact of globalization and TNMCs on Chinese media operation in terms of media content. It will firstly examine the popularity of TNMC programmes and then probe how this presence drives China's media authorities and practitioners to redesign their own formats and brand their own media both at country level and province level. Briefly, there is an institutional change in raising the ratio of 'relaxation' entertainment (games, drama, fiction, confessional talk shows) against 'serious' propaganda programming. The proliferation of entertainment programmes and reforming media formats implies that people may simply switch off when the propaganda messages are sold to them. The responses to entertainment programmes driven by the TNMCs, though pragmatic and locally specific (Shoesmith and Wang, 2000), have inevitably undermined the propaganda function of the mass media in China.

The declaration by TNMCs that the broadcaster should satisfy what the audiences want may be attributed to consumer sovereignty. It has been defined by the Peacock Report as a sophisticated system, in which audiences are the best ultimate judges of their own interests, and they can be best satisfied if they have the option of purchasing the broadcasting services that they require from as many alternative sources of supply as possible (Pratten, 1997:28). Success in the commercial media largely depends on the scope and scale of audiences, which are the most important attraction to advertisers. With the increase of participating in global society, Chinese media practitioners put this theory into their practice.

## 2.1 The Domination of Entertainment-oriented Programming

Chinese media practitioners label entertainment programming as ‘Coca-cola programming’<sup>2</sup>, distinguishing it from the traditional propaganda messages. From the 1990s, it is such entertainment-driven programming that has become the primary attraction in the fierce market competition. With their global competitive advantages and mature marketing skills, TNMCs have powerful brands and seek larger audiences through entertainment. They also tend to water down entertainment to avoid some controversial programmes that might irritate the Chinese authorities. The popular entertainment formats includes soap operas, game shows and ‘infotainment’ documentaries. As Chapter Four examined, the initially China-targeted package of STAR TV with five channels became more purely entertainment-oriented after the Chinese government persuaded Rupert Murdoch to remove the BBC World Service in 1995. The other TNMCs share this principle. Time Warner’s CETV holds a slogan of ‘no sex, no violence, no news’ (Green, 1994: 5). The newly established *Xinghongweishi*, Rupert Murdoch’s sheer entertainment channel, has won an increasing audience share by offering dance and music such as ‘Little Emperors Grab the Mike’ (a chat show with spoiled kids), ‘Women in Control’ (a game show), ‘Operation Theatre’ (a prime-time reality show that turns surgery into TV melodrama with lots of detailed close-up) (Seno, 2003:43). It has no coverage of Chinese political news and current affairs. Like *Xingkongweishi*, the proportion of entertainment programmes in the TNMC Chinese channels has overwhelmingly surpassed the other imported programmes. With large investment, the TNMCs have

---

<sup>2</sup> This term is often used by some interviewees, such as some senior editors in Xinhua News Agency, People’s Daily, CCTV, and so on. It seems that the use of ‘Coco-cola programmes’ in China is not as negative as that in the western literature then they compare them with the propaganda messages.

developed new kinds of entertainment programming when the old ones become 'normal' and lose their singularity.

The domination of entertainment content in transnational television results from audience demands and governmental requirements. On the one hand, after increasing experience of global society, Chinese audiences became eager to acquire amusement from television, and this demand was intensified by the rapid improvement of Chinese living standards since the 1980s. The Chinese audiences spent on average 65,335 minutes watching television in 2002, including 6,617 minutes on news and current affairs and 19,080 minutes on TV drama (Wang Lanzhu, 2003: 68). According to a survey conducted by the People's University of China, Beijing's audiences on average spend 112.1 minutes on entertainment programming every day, much more than news and current affairs (38.3 minutes) (Yu Guoming, 2002:282-3). With the increasing number of channels available both from home and abroad, the number of programmes available for audiences has increased dramatically, whereas the total time people devote to watching them has remained unchanged. Competition for potential audiences, therefore, has been intense, and the importance of audience appeal has been self-evident. With growing reactions against political indoctrination, Chinese audiences are enthusiastic for entertainment content while disparaging the political programmes and other serious content. The qualitative and quantitative deficiency of domestic entertainment programmes makes the Chinese audiences easily switch to the TNMCs. An audience survey in Guangdong Province revealed that 'Hong Kong television is recognized first for its entertainment values, which is enhancing the general perception of television as an entertainment medium.'(Chan, 2000:264) Another survey of over ten municipal cable stations showed



that more than 90 percent of the programmes were imported (Zhao, 1998: 169). To meet the audience demands, so as to realize the commercial goals, the number of imported entertainment programmes has kept increasing.

On the other hand, governmental institutional arrangements produce the domination of entertainment content in transnational television. While opening to foreign media, the government still tries to prevent Chinese people from getting too much westernized political ideologies. The SARFT endeavours to keep a balance between media globalization and national political, social, and cultural identity. It prefers entertainment programming, which is assumed to have less political implications. This arrangement can be seen in a document '*Regulation of SARFT on the Censorship Criterion of Imported Programs*'. It says, '(the imported programming) should have main characteristics of entertaining and amusing the audiences.' (1991' *Zhongguo guangbo dianshi nianbao*: 74) This criterion set by the SARFT has also been applied to manage transnational satellite broadcasting. Among the first 30 transnational satellite channels that were officially approved by the SARFT, most were pure entertainment channels and the other six were sports channels or music channels.<sup>3</sup>

However, when China participates in media globalization, the foreign-based media inevitably become an instrument of wider accessibility of information for Chinese audiences. This could be seen after the shocking terrorist attack, the U.S. 9-11 Tragedy. *Sina.com (xinlangwang)*, a popular web-site based on U.S. investment, provided the first piece of news of the incident at 8:55 pm (Beijing time) for Chinese audiences, just 10 minutes after the first attack on the World Trade Centre. After that, it issued a huge number of 9-11 news items, reporting the incident in depth. On the first day it had 100

---

<sup>3</sup> See Internet Satellite Television Website, [www.tvworld.com.cn](http://www.tvworld.com.cn), accessed on June, 6, 2002

pieces of news within a short period between 8:55 pm and 11:59 pm, followed by 720 pieces of news in 24 hours the next day. Moreover, *Sina.com* immediately published a feature on 9-11, providing an updated timetable of the incident and relative news background about terrorism, such as Osama bin Laden, the Taliban, and Afghanistan. Another foreign-based media outlet Phoenix TV, more than a third of whose shares are held by Murdoch's News Corporation, inserted a special news report at 9:10 pm, becoming the first television channel in China to report the attacks live. The report continued for 35 hours. In contrast, CCTV, a mouthpiece of the CCP, began to be involved in the event reporting at 9:20 pm. The news appeared at the end of its programme *Broadcasting Now*. Although CCTV reported the incident in nearly every news programme, it only offered one or two short pieces, at the end of Network News on non-official perspectives where background was provided (Li Yinbo, 2002:223-29). The same happened in the War against Iraq in 2003. Phoenix TV became the first broadcaster who reported live. It forced the official CCTV, which withdrew from Baghdad before the war broke out, to return to the Iraqi capital two days later. The delay in live reportage was fiercely criticised by the audiences, who preferred Phoenix TV, rather than the state-owned CCTV (Interviewee 21).

These two cases demonstrate that the TNMCs become an important channel for Chinese people to access diversified information. It does place heavy stress on Chinese media governors and practitioners to redesign their media content. Both entertainment and information programming provided by the TNMCs enable Chinese audiences to understand the world outside China and then read Chinese domestic affairs in fresh ways (Hull, 1991: Chap.1). For many Chinese audiences, the news media, particularly

television, is their only means to access foreign cultures. The imported programmes have been regarded as ‘a window on the world, a cultural supplement, and a promotion of understanding among people.’(Hong, 1998:62) In this sense, the adoption of transnational television paves the way for cultural exchange and gradually results in the selective adoption of foreign cultures. For Chinese media practitioners, they have to adjust their operation and management to the logic of consumer sovereignty. This will be further discussed in Section 3.

## **2.2 Case Study: the Adjustment of CCTV**

As regulatory systems and economic environments have opened up, the Chinese state-owned mass media might follow the rules set by others, rather than the state itself. Although those opposing TNMC commercialism argued that these shifts could be undermining the traditional role of Party’s ‘throat and mouthpiece’ and threatening the Party itself, the Chinese authorities reconsider what are audiences’ demands, and recognize the importance of programming appeal for existing and target audiences. To realize commercial goals and meet the demands of state’s media reforms, entertainment content has kept increasing, and this has quantitatively transformed the original function of television from propaganda to entertainment-provider. In this way, the power relations between regulator, media producer, media carrier, and media consumer might be transformed from the top-down model (the regulator decides what the producer products and what the audience consumes) to the bottom-up model (the audience determine what the producer products), or a mix of top-down and bottom-up models. The adjustment of CCTV is a good example at the national level to explore the influence of TNMCs on



Chinese media operation. It also reflects the degree to which the Chinese media governance becomes institutionalised under globalization.

In theory, CCTV, together with other state-owned television networks, acts as a benchmark to inform, educate and entertain, accommodating minority audience interests by providing propaganda programmes, including those which might be profitless. In Western terms, CCTV should provide 'public service broadcasting'. However, interviewees in CCTV point out that under more intense global competition, CCTV has fresh ideas which it would like to operate with a global popular logic, 'market logic', providing more programming that appeals to a vast range of audiences and introducing advertising into their revenues, rather than airing boring propaganda messages under 'party logic'.

The self-improvement of CCTV made it more intertwined with television globalization. In 1987, the first pure entertainment programme of CCTV, 'Zheng Da Entertainment' (*Zheng Da Zhong Yi*), was sponsored and initiated by a foreign corporation, Zheng Da group of Thailand. In the second half of the 1990s, CCTV began to defend itself against the invasion of transnational satellite television and cable television by introducing several famous game shows, whose formats were purchased from Europe and America. Two top entertainment shows, 'Between the Cities' (*Chengji zhijian*) and 'Lucky 52' (*Xingyun 52*), were purchased from France and Germany (*Xinzhoukan*, June 16, 2002). A game show named 'Happy Dictionary' (*Kaixin cidian*) is the Chinese version of 'Who wants to be a millionaire'. Inspired by NBC's *60 minutes*, CCTV launched its own 'Focus' programme in 1994. It is broadcast at prime time every evening, becoming a well-known official demonstration that China has active media

investigation. The nightly programme is described as covering ‘the problems of society’ in a magazine format, with ‘in-depth investigative journalism’. *Focus* exposes various social problems involving government organs and officials at different levels. These problems cover abuse of power, negligence, corruption in administrative affairs, and so on, which are committed by government departments or officials. Former Premier Zhu Rongji visited the studios in 1998, maintaining that ‘supervision by the media is very important’ and ‘press supervision can correct the mistakes of our work and reflect the voice of the masses’ (quoted by Interviewee 21; Lam, 2000:37-57). Regional TV stations, such as Beijing TV, Shanghai TV, Zhejiang TV and Sichuan TV and many other provincial broadcasters, soon copied the *Focus* format with their own current affairs reports (Interviewee 21).

As table 6.1 illustrates, the most popular programming in CCTV is entertainment, and the least is serious programming. From 2000 to 2002, the programming for news, children, and education only accounted for 17.1 per cent, 16.4 per cent and 13.3 per cent of total air time respectively, while entertainment programming like drama, game shows, film, music and sport accounted for 44.9 per cent, 43.0 per cent and 38.0 per cent of the total respectively. Due to that CCTV spent more time on international news and investigative reports, the audience share of news programming did not jump down though its total air time decreased from 9.1% in 2000 to 6.7% in 2002. This means although there is less programming time for news, it is still heavily watched (18.3 % in 2002).

The insiders point out that it is market competition which drives them to change the programming component. The market competition is not only from domestic provincial TV, but also from TNMC Chinese channels. Under intense pressure, CCTV recently



adopted a system of media management, ‘listed end out’ system (*mowei taotai*), that is an audience receipt ratio, to decide the air-time of different programming. Education and children's programming always account for low audience ratios; conversely, entertainment (e.g. film, drama, sport, and so on) and news (e.g. *Focus*, *Dongfangshikong*, *News Probe*, and so on) occupy the leading position. The insiders’ explanation for the decline of education and children's programming illustrates that the regulators have less influence on media content than before. If mainstream programmes shrank further, the propaganda messages would have less places for dissemination to the public. The case of CCTV also shows that the role of the media gradually shifts from the party’s ideological instrument to the audience’s amuser. This shift of media culture may have a profound influence on the relations between media production, distribution and exhibition. Furthermore, it may generate reconstructing of the media market, and, through them, media power relationships.

Table 6.1 Air Time and Audience Share of CCTV Programming (2000-2002)

Programming Genre	2000		2001		2002	
	Air time (%)	Audience share (%)	Airtime (%)	Audience share (%)	Air Time (%)	Audience share (%)
Children	5.4	4.1	5.2	4.1	3.6	3.3
Opera	6.5	1.4	6.2	1.4	6.1	1.3
Education	2.6	0.4	3.3	0.4	2.9	0.3
Game Show	3.5	4.8	3.3	4.8	4.2	5.0
Foreign Language	0.0	0.0	0.0	0.0	0.1	0.0
Film	10.2	9.7	9.8	9.7	7.8	10.9
Music	2.5	1.7	2.4	1.7	3.4	3.2
News	9.1	25.2	8.7	25.2	6.7	18.3
Drama	11.7	14.8	11.2	14.8	8.1	11.3
Features	14.3	13.5	13.8	13.5	14.4	12.4
Sport	10.5	8.5	10.1	8.5	8.4	11.5
Other	23.6	15.9	22.7	15.9	34.4	22.4

Source: Wang Lanzhu (ed.) (*Zhongguo dianshi shouzhong nianbao, 2003*(*Yearbook of China's Television Audience: 2003*) (Beijing: Beijing Broadcasting Institute Press, 2003), p.180.



### 2.3 Case Study: the Miracle of Hunan Satellite Television

The impact of TNMCs on Chinese media operations may also be identified at province level. Different from CCTV with an official record of purchasing foreign formats, the Chinese provincial television stations are, in fact, inundated with imitations or even plagiarizing of foreign programme formats. The importance of format, as Michael Keane addresses, is 'not simply as mass cultural artifacts but as "packages of ideas".' (Keane, 2003:81) Through co-operation, professional visits and transnational satellite broadcasting, the Chinese TV producers have opportunities to imitate the format of global television programmes. Consequently, programme 'cloning' is widely adopted by contemporary Chinese television. It also is one of the identifiable impacts of TNMCs and globalization on Chinese television. It often happens that several provincial channels employ a popular foreign format simultaneously. The producers in the local stations confess that the copy of foreign programme formats is irresistible mainly for three reasons. They are, (1) The Chinese laws on the protection of the rights of television programme format have not yet been established. Hence there is no legal risk of illegal action; (2) the foreign programme formats are usually more attractive to the audience than the domestic ones; and, (3) copying foreign formats can save much investment on products and even earn great profits from selling on the programme. Thanks to their abundant resources and lion's share in the global market, the TNMCs are capable of providing media production at a much cheaper price than those locally produced. Under the shadow of global media, China's local media have little choice but to imitate foreign programming for branding their names in the marketplace. Hunan Satellite TV channel is no doubt the most successful provincial satellite channel. Although Hunan is only a

destitute agricultural province in the middle of China, Hunan Satellite Station became the richest and most popular provincial television in 1998 (*Zhongguo guangbo dianshi nianbao*, 1999: 154-155). Experts called it the 'Hunan Miracle'.

The reason for the 'Hunan Miracle' is not very difficult to find and many would consider it is fairly disappointing. An interviewee on Hunan TV stated that 'the most important element in the success of Hunan television is to copy foreign programmes.' (Interviewee 33) Thanks to the special relationship with television in Taiwan, Hong Kong and the USA, Hunan TV was the first local station to employ TNMC programme formats. Its two top entertainment programmes, 'Happy Base Camp' (*Kuaile da benying*) and 'Dating of Rose' (*Meigui zi yue*), which annually earn over RMB50 million (6 million US dollar) from the national market,<sup>4</sup> are copies of formats from Taiwan television and Murdoch's Phoenix Chinese Channel. In 2004 and 2005, Hunan TV presented a format 'Super Woman Singer (*Chaoji nusheng*)'. It is an imitation of 'American Idol' in the USA. However, its audience ratio once surpassed that of the CCTV.

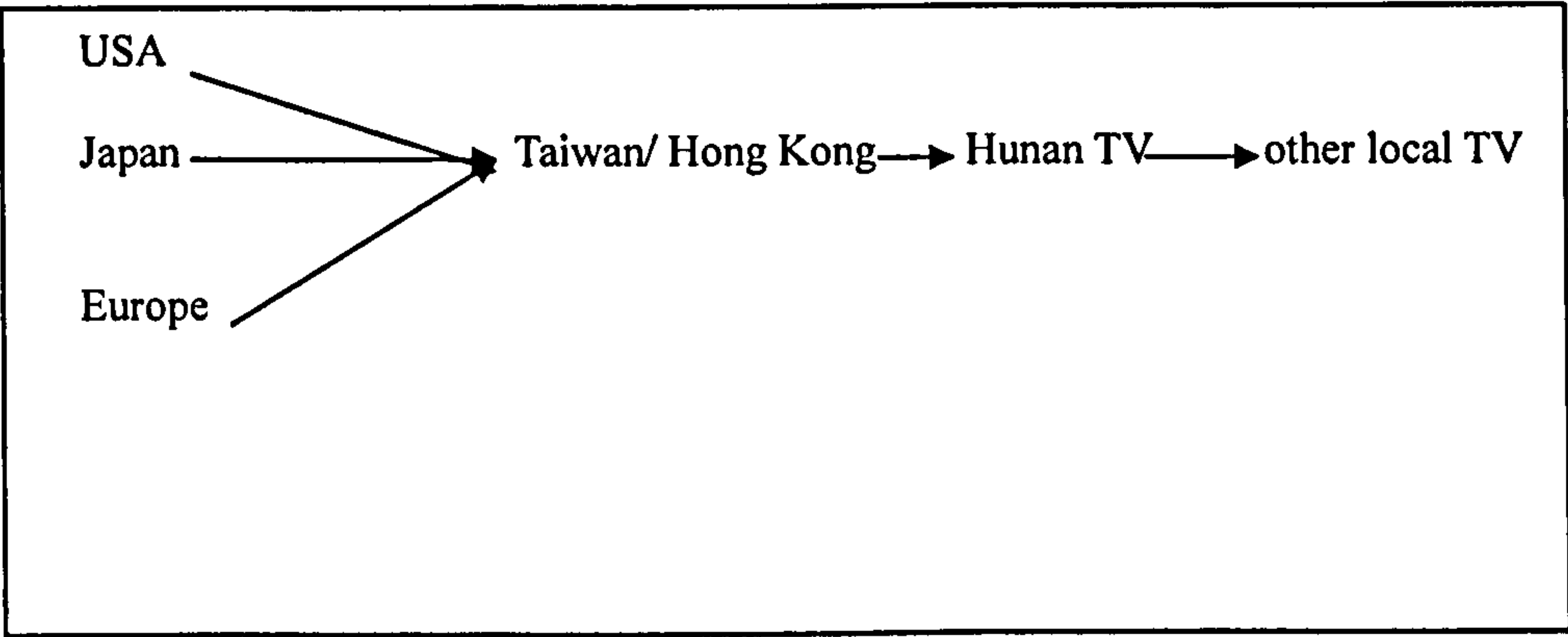
The case of Hunan TV demonstrates that TNMC TV formats have a profound influence on Chinese TV. Hunan TV unconsciously plays a role as the introducer of foreign formats. Soon after the formats of Hunan TV's popular programmes are shown, they appeared on most of the other satellite channels. Hunan TV alleges in its website, that 'over 30 provincial stations have imitated the format of "Dating of Rose"'. In order to retain and consolidate its leading position, Hunan exerts its advantage of 'learning from outside', racing to imitate new global formats. Therefore, among Chinese local stations, many of their popular programmes bear the characteristics of foreign formats.

---

<sup>4</sup> At Hunan Television website, [www.hunantv.com/block/rose](http://www.hunantv.com/block/rose), accessed on June 4, 2002.

The relaying of programme formats can be illustrated in Figure 6.1. While this phenomenon bears a strong ‘Chinese characteristic’, the motivation is worldwide because ‘at the local level media producers increasingly use global popularity to stamp their own products as ‘professional’, ‘competitive’ and attractive to an audience and, more importantly, to the advertisers.’(Thussu, 2000:16)

Figure 6.1 Relaying of Global Programme Formats



One aspect of the TNMC influence on Chinese media is that the role of the Chinese media is no longer a single instrument of propaganda but to some degree a mass entertainer. In the new era when transnational television prevails, ‘there is tremendous pressure to fashion and schedule programming that will maximize audiences across the board.’ (Blumer, 1991:49) In China, the survey conducted by Chan in Guangdong Province shows that the Chinese audience in Guangdong Province has changed their attitude to domestic television after long-term access to Hong Kong Television (Table 6.2). It shows that the continuous exposure to transnational television results in the ‘reduced satisfaction with domestic television’ (Chan, 2000:264) of the Chinese audience and their most dissatisfied factor is the ‘entertainment values’.



Hunan TV is not an isolated case. It is an increasingly pervasive phenomenon. As a main partner of Viacom in the Chinese media market, the private-owned Tanglong Communication has become one of the key TV programme producers since the late 1990s. Its CEO Lu Xingdong declared,

‘Chinese TV can learn a lot from transnational media corporations. Firstly, we can learn how they manage their branches in more than 100 countries. Secondly, we can learn how they control the cost of the whole product chain: production, marketing, promotion, and distribution. Thirdly, we can learn how they invest in formats to attract audiences and maximize profit.’(Interviewee 40)

The pressure of television globalization has contributed to a landscape different from governmental expectations, which still regard television as an efficient propaganda tool within the party line through limited commercialization. Essentially, Chinese television has already deviated from the party line and converged with television in most other nations. In spite of the internal resistance factors, the changing nature of television is the embodiment of television globalization in China. The media authorities hold a blurred attitude, that is, in Chinese sayings, ‘close one eye, open another’. The reason for this is that the ‘clone’ can contribute to local economic growth with an attraction to advertisers without increasing the programme development cost. However, it should be concerned about the economic and moral implication of plagiarism, taking copyright infringement seriously.

Table 6.2     Evaluation of Chinese and Hong Kong TV: Positive Evaluations

Comparative Dimensions	Percentage of satisfied respondents	
	Chinese TV(%)	Hong Kong TV(%)
Variety	4.9	86.5
Production quality	11.3	74.7
Entertainment value	5.3	86.8
Emotionality	7.7	83.8
Reflecting social reality	35.5	50.8
Reflecting people's opinions	41.3	50.5
Information reliability	42.6	41.1

Sources: Joseph Man Chan, ‘When Capitalist and Socialist Television Clash: the impact of Hong Kong television on Guangzhou Residents’, in Chin-Chuan Lee(ed) *Power, Money and Media* (Northwestern University Press, 2000), pp.245-270, p.256

As the previous two sections show, Chinese TV both at national and provincial levels have begun to imitate TNMCs’ programme formats. The value of TV formats would go beyond the content that the Chinese audiences consume. They could be considered as a kind of ‘cultural technology’, in which the TNMCs add their values to Chinese programming menus and drive Chinese television to ideological diversity. It produces a self-evident trend of Chinese television since 1992. The proportion of entertainment content among all domestic programming has kept increasing and reached 37% in 1998 (*Zhongguo guangbo dianshi nianbao*, 1991-1999). In terms of media management Chinese media has begun to brand themselves. Both Hunan TV and CCTV, together with other media players, attempted to detach themselves from being the Party’s mouthpiece, though there is grave doubt about any possibility of complete detachment.<sup>5</sup> It is a reflection of the diversification of Chinese television under intense competition pressure in media globalization. Therefore, entertainment programmes, such as fashion shows, pop music, foreign dramas, and so on, have become popular on television, in contrast to official ideology.

<sup>5</sup> The detachment from the party and government is dilemma in Chinese media cycle. See, for example, Sun Min, ‘Zixun shidai de chuanmei pinpai jingying’ [Branding Operation in the Information Era], *Zhongguo jizhe (zhengkan 2)*[*Journal of Chinese Journalist (supplement 2)*], 1999(2),pp.81-85.

## 2.4 Tabloidization of Newspapers

If imitation of entertainment formats is a kind of impact of media globalization and TNMCs on Chinese television, ‘tabloidization’ is an identifiable influence of media globalization on Chinese newspapers. Metro-tabloids never appeared before the 1980s. In the 1990s, a few newspapers have been transformed from party papers into metro-tabloids, which are filled with sensational, sexual, and criminal stories. This becomes, in a western term, ‘tabloidization’ (Sparks, 2000:1-40; Esser, 1999). In the west, it is a shift from hard news, such as news about politics, economics, and society, to diversions such as sports, scandal, and celebrities. In the Chinese context, it is a transformation from CCP propaganda messages to diverse information, including sports, scandal, and celebrities.

The coverage in Chinese tabloid papers is broad except for politics. There are many categories in terms of subjects. Like those of TNMCs, the coverage subjects include economic news, social events, criminal news, international affairs, sport and entertainment. The market-oriented coverage tries to maximise readership, which is the basis of the paper’s financial independence. There are two recurring characteristics of content in Chinese tabloid papers (Interviewees 8 and 38).

Firstly, soft news and other readable news and information are overwhelming, focusing on news in society from streets, families, schools, hospitals to police stations, night clubs, the market, and so on. In their news coverage, political news is rarely mentioned (Huang, Davies, and Knight, 2002). Soft news covers a wide range of areas, such as accidents, business and low level political corruption, crimes, disasters, human interest stories, sex, sinister gangs, violence, and so on. From November 13 to 19, 1998,



*West China Metro-Paper (Huaxidushibao)*, a prominent tabloid in Sichuan Province, in total covered 262 stories relating to these issues, about 37.4 items on average each day and 4.6 items on the front page per day. In contrast, stories regarding the Party/state apparatus and political elites at either the ‘central’ or ‘local’ level were extremely limited. Jiang Zemin, Chinese President and Party General Secretary, was simply mentioned three times in three short stories published on page four (Huang, Davies, and Knight, 2002).

Secondly, imitated from TNMCs’ content formats, Chinese tabloid papers comprehensively and systematically explored and exploited sports news and entertainment as main genres which are expected to have huge market potential. They are an integral part of their daily reporting plan, as equally important as other categories of news. Rather than sensitive political issues, which are always guided by the CPD and local propaganda authorities, their reports are mostly from their own correspondents (Peng Jian, 2002:23-35). They report gossip spreading around the romantic lives of pop singers and movie and sports stars. Both employ a sensational writing style in order to attract readers. Stories are straightforward, readable and informative, and the headlines are vivid and eye-catching. They may be attacked for sensationalism, rumour, gossip, innuendo, superficiality and inaccuracy, and sometimes, simplification (Interviewee 51). But they are completely different from the boring, lengthy, and unreadable propaganda messages.

Like those of TNMCs, most Chinese tabloids emphasize light social commentary and lively entertainment features. Learning from *London Week*, *Shanghai Week* was established on October 12, 2000 to introduce the city’s everyday life. In 2004, its circulation reached 200,000. Likewise, *Shanghai Wednesday (Shanghai Xingqisan)* and

*Shanghai Service Paper* (*Shenjiang fuwu daobao*) also focus on entertainment and everyday life. All enjoy large circulations and fat revenues. They are becoming even more popular than the party-owned papers such as *Wenhui Daily* (*Wenhui bao*) and *Liberation Daily* (*Jiefang ribao*) (Huang Shengmin, 2003:263). To attract readers, many rely on the American formulae of sex and crime. 'Sure, they are low-class,' a journalist at a party paper remarks, 'but even gutter news is better than propaganda.' (Interviewee 44) Therefore, in terms of financial performance, the most profitable newspapers are tabloidised metro-papers. In 2003, the advertising revenues of Chinese metro-papers were 37.5 billion Yuan (4.5 billion US dollars), accounting for 68.20 per cent of the total national newspaper advertising market. It is also five times more than the party and government institutional papers (13.45 per cent) (Yao Lin, 2003). Ironically, most of them belong to the party and government institutions. The *People's Daily*, for instance, owns a few tabloids such as the *Global News Digest*, *Global Times*, *Beijing Times*, *Southern Times*, and so on.

However, in order to win a large market share, tabloids inevitably tend to expand their reporting scope to sensitive realms in order to compete with others. The *21st Century World Herald*, for instance, always covers a few political issues since it was launched in 2002. The fledgling weekly tabloid, published in Guangzhou and distributed nationally, is the first paper reporting several sensational stories, like a revenge slaughtering of more than 100 persons in Jiangsu. But, after the *21st Century World Herald* did an interview with Li Rui, the former Secretary of Mao Zedong, about China's democracy in March 2003, it was closed down immediately (Interviewee 46). From this case, it can be seen that the party still has the decisive strength to play the game in

accordance with its preferences. If anyone challenges its bottom line, the party will ban it without negotiation.

The mainstream ideological melody requires that media practitioners are not only creative workers, but they must be CCP information workers. The identity of Party information workers comes first, followed by the identity of media art workers (Yin, 2002:33). The SARFT thus adopted various measures to ensure that the prime time in CCTV and provincial stations is spent on the propaganda 'mainstream melody', reducing the amount of entertainment-oriented action series. A conflict emerged between the mainstream melody works and the commercialization and popularization of television drama (Interviewee 46). In 1990, Li Ruihuan, a member of the Standing Committee of the Politburo, suggested that a funding mechanism must be established to guarantee political correctness in Chinese films. The former president Jiang Zemin reiterated this at the 1994 National Propaganda Conference (Xu Guangchun, 2000:437). On April 12, 2004, the SARFT banned network game programmes on TV screens. A week later, all provincial and municipal stations were required to establish a children's channel <sup>6</sup> However, these enforced measures do not rescue the 'mainstream melody', because tabloidization of mass media provides a good alternative to the propaganda ones. Inevitably, 'the socialist mainstream melody' (*shehui zhuyi zhuxuanlu*) declined dramatically both in the number of titles and circulation. During the early 1980s peasant newspapers grew quickly with the rural reforms adopted in the late 1970s and early 1980s. But the circulation of peasant newspapers in the early 1990s collapsed and some even

---

<sup>6</sup> See the official website of the SARFT, at <http://www.sarft.gov.cn/manage/publishfile/35/1656.html>, accessed on April 25, 2004.



went bankrupt. *Liaoning Nongmin Bao* (Liaoning Peasant News), for instance, had the highest daily circulation of 1.3 million copies in the 1980s, but it dropped to 100,000 in early 1993 (Lee, 1994: 23). The same thing happened with party-sponsored national titles. The daily circulation of *Guangming Daily* dropped from 1.5 million in 1987 to 800,00 in 1993 (Zhao, 1998:167). The *People's Daily* declined from a 6 million daily circulation at its peak time in the 1980s to 2 million in 2003, and most of its subscriptions were made under administrative pressure (Interviewee 44). Although the party-state tried to rescue its mainstream from declining, the market plays a role in weakening the party's hegemony.

### **3 ONE SERVANT, MANY MASTERS: MEDIA PERFORMANCE AND MEDIA CULTURE UNDER GLOBALIZATION**

The decline of the mainstream melody and the rise of entertainment are a consequence of media globalization in China. It reflects the fact that the traditional communist journalism in China has been pushed into the marketplace and rebuilt by institutional forces, particularly by external forces. As previous chapters discussed, with increasing participation in global society, the Chinese media serve not only one master but many. Therefore, the media culture has also changed from the Marxist model toward a multi-ideological model. This section explores this change insofar as it is directly and indirectly related to globalization and TNMCs.

The impact of globalization on developing countries like China is complex. As Daya Kishan Thussu suggests, 'In many developing countries, western influence is

bringing mixed results.’(2000:203) The external forces have repackaged themselves into a Chinese context, leading to a remarkable cultural mixture and contradiction of media cultures. The reasons for this are three cultural dynamics. Firstly, a history of five thousand years has formed a strong traditional culture, which is rooted in the audience and the media staff. Secondly, the government imposes the communist culture on the news media by political power. Thirdly, the economic motivation and the global influence have induced the Chinese news media to embrace a modernized global culture. The third cultural aspect is termed as ‘peaceful evolution’ (Huang, 1998:217-41). Briefly, Chinese journalism and media culture have changed dramatically under globalization. As Chin-Chuan Lee points out, ‘China’s media have moved from having no freedom to having some freedom in non-political areas, although their freedom in political areas remains highly restricted.’(1998:250)

### **3.1 Servant for the People or for the Party: the Influence of Globalization on Chinese Media Performance in the Two Wars of 2003**

The relationship between the news media and social changes may reflect the nature and progress of change in communist societies, because ‘the mass media have a special and privileged place with regard to social changes’ (Sparks, 1998:38). Do the Chinese media mirror its social changes in the era of globalization? The two ‘wars’ in media coverage in spring 2003 could be good cases to explore the extension to which globalization influences on the changing nature of Chinese news media. These cases show that the coverage of foreign media on Chinese issues has profound influence on Chinese media governance and the western journalistic ethic also affects the Chinese

media practitioners.

The case of coverage of the war in Iraq demonstrates that Chinese media have become more attention to market competition driven by the TNMCs. For more audience share, Chinese domestic media have to change their operation and management. As SARS (the severe acute respiratory syndrome) made global headlines, the Chinese media were setting precedents in the coverage of the Iraq war. The surprisingly unprecedented coverage of the war in Iraq by the Chinese media created a few breakthroughs in the history of the country's news media. However, this improvement is not only a result of the self-adjustment of Chinese media but also a result of global competition driven by the TNMCs. Before the US-British coalition forces started their strikes, Xinhua News Agency recruited a local Iraqi as its correspondent. In this way, Xinhua beat its international counterparts by 10 seconds to be the first to report the start of the war on March 20. In the following twenty days, Xinhua filed at least 15,000 news reports, commentaries, round-ups, and features on the war in several languages, such as Chinese, English, French, Spanish, Russian, Arabic, and so on (Interviewee 6). Unlike the September 11 Event in 2001, CCTV covered the war in real-time. Three of its 12 channels, CCTV-1, CCTV-4, and CCTV-9, used sources or footage from foreign TV like CNN, FOX TV, and Al-Jazeera, to keep millions of viewers informed as the war progressed. CCTV-4 provided 13 hours per day coverage on war-related news, three times more than the previous five hours every day before the war. A few scholars on military affairs and international relations, including those from the National Defence Military Institute, were invited to comment on and analyze military actions and other aspects of the war. According to some insiders, the goal of this improvement was to gain



more audience share to counteract the increasing number of TNMC channels entering the Chinese media market. In other words, this improvement was driven by the TNMCs. Phoenix TV (*Fenghuang weishi*), 48 per cent owned by News Corporation, started a continuous live broadcast on March 20 and this lasted for more than 100 hours. When senior reporter Lu Qiu returned to Baghdad on March 23 after the war started, Phoenix's reputation increased impressively. It put heavy pressure on Chinese state-owned television. Two days later, a CCTV reporting team, which had withdrawn from Baghdad before the war, had to return to the Iraqi capital. The delay in live reportage was fiercely criticised by the Chinese audience, who preferred Phoenix TV, rather than the state-owned CCTV (Interviewee 7).

The coverage of the war against SARS also illustrates the importance of foreign media for Chinese media governance. SARS first broke out in South China's Guangdong Province in November 2002. However, it did not replace the war in Iraq in the headlines until mid-April 2003. Chinese health authorities did not address the issue publicly until February 11, 2003.<sup>7</sup> Instead, they said everything was 'under control'. In early April when the disease dramatically spread in Beijing, the dominant message in the Chinese media was still that 'the disease had already been brought under control' and 'Beijing remained as normal and safe as ever'. But scepticism was growing. When Beijing became a 'city of ghosts' because different plausible messages about the fatal disease spread all over the city via the Internet and mobile phone messages, Zhang Wenkang, Minister of Health, still maintained that there were only 37 cases and 4 deaths in Beijing in a national conference on April 3. Only after the American news weekly *Time* first

---

<sup>7</sup> *Xinkuai Bao* (*New Express*) was the first paper to expose SARS in Guangdong, which offered several pages on February 11, 2003. Then, *Nanfang Dushibao* (*Southern Metropolis Papers*) and others followed. In March, Beijing-based *Caijing* Magazine produced in-depth analysis on SARS, criticizing governmental maladministration.

exposed the true situation of SARS did the Chinese government panic. Jiang Tanyong, former director of the People's Liberation Army Hospital No.301, revealed to foreign media that the Ministry of Health (MoH) had lied about the disease with his own investigative statistics (Pomfret, 2003: A26). *The New York Times* rebuked Beijing:

‘China has routinely failed to grapple with natural or created disasters, like the famine caused by Mao's forced collectivization in the late 1950s, because the sole responsibility of officials at every level is to keep their bosses happy. There is no direct accountability to the public, and every incentive to cover up bad news.’(Kahn, 2003: A1)

The claims by the international media for isolating the unaccountable government from the international community finally forced the Chinese government to take action (Interviewee 50). The dramatic loss of credibility in the international community prompted Wen Jiabao, the new Premier, to admit that the situation was ‘grave’ in mid-April. The Political Bureau of the Central Committee of the Communist Party of China, the highest authority in the ruling party, issued an order to openly disseminate information on the spread of SARS and warned that any officials found to be withholding or distorting information would be severely punished. Zhang Wenkang and Meng Xuenong were then sacked from their respective posts as Minister of Health and Mayor of Beijing for ‘negligence of duty’. It marked a real turning point in the Chinese media coverage of SARS. But China's media still did not dare to create a public discourse to criticize the structural weakness of the political system, which lacks governmental transparency. Before April 20, most of the domestic media kept silent; after that, they focused enormous attention on SARS, thus, the situation turned into a kind of ‘chaos’

(Xia and Ye, 2003:56-65).

Comparing with the performance of Chinese media, it is also safe to argue that the extent to what the Chinese media practitioners involved in media globalization determines their media performance. Closely examining those media which have provided objective, investigative news stories about the two 'wars', most of their practitioners are involved in media globalization and TNMCs. Some of them have studied abroad, some of them have trained in TNMCs, and some of them have even worked in TNMCs. Take *Caijing* for example. As Chapter 3 discussed, half of its staff has been trained abroad. All members of its managing team, Hu Shuli, Lin Libo and Wang Suo, have been trained in the USA. Hu Shuli was trained in an American university in 1995. Sponsored by international institutions, Lin Libo and Wang Suo have also studied in the USA for a year. These educational backgrounds enable media practitioners to put western journalistic ethics into practice. In 2003, *Caijing* began to publish in-depth reporting on SARS and its causes from February. After March 12, *Caijing* decided to assign several reporters to cover SARS, and then dedicated an entire desk of 10 people to in-depth reporting. In total, *Caijing* published four special weekly issues on SARS, producing a version completely different from the mainstream like the *People's Daily*. Partly because of the coverage of SARS, Hu Shuli, the managing editor of *Caijing*, was named Editor-of-the-Year in 2003 by the New York City-based *World Press Review*. In a personal interview, she argued,

'I was quite sure at the time that an epidemic like SARS with so many lives at stake was more worthwhile to Chinese journalists, as it was 'our war'. It involved government transparency. It contains weight we could not afford to



ignore. We cannot say that the two wars have drastically changed the nature of the Chinese media, which is impossible. But they both have had a profound impact on us. After being tested by these two wars, at least the Chinese media have become more conscious of their mission to inform the public and keep an eye on wrongdoing, which is constructive for China's social progress.' (Interview)

The performance of trailblazers like *Caijing* shows the potential of media capacity to honour the people's right to know once they are determined. The cases of the War in Iraq and SARS show China needs press supervision. When most of state-owned media kept silent, a few bold news media expressed their comments and opinions. These institutions criticized officials who neglected their responsibilities for the citizens. Such criticism would not normally appear in the mainstream media, but it has gained official toleration. If the government believed these media would threaten their authority, they would ban them.

The performance of the Chinese media in the two wars demonstrates that the TNMCs have a profound influence on Chinese media operations, management, and moreover, media culture, stimulating the Chinese media to rethink the paradoxical roles they play. Are they a servant of the people or of the party?

In the reforming years, it has been claimed that the role of the media should change from 'throat and tongue' of the party-state to reflect 'people-ness' (*Renmin xing*) (Gan Xifen, 1988). This means the media should not only be the 'throat and tongue' of the party but also of the people. At the beginning of the opening-up policies, a few media academics and professionals argued that Chinese journalism should have some

innovations. Xifen Gan, a prominent journalism theorist, stimulated a debate on 'party-ness' (*dangxing*) as opposed to 'people-ness' (*Renminxing*). He argued that a firm Party characteristic should be the supreme guideline in running a newspaper, in which writing should not be made into a profit-making tool by any individual or collective. It should be made part of the proletariat's enterprise, a component of the Party's organised, planned, and unified work. However, the Party's leadership, even the Party Central, may make mistakes. Newspapers should make the interests of the people paramount and be run accordingly (Gan, 1994).

The case of SARS indicates the obvious inability of the Chinese government in terms of information management. If it cares for citizens, the government should keep its governmental information more transparent, timely, and objective. A society's autonomy and stability depend on its information transparency. If the government provides enough access to information, it can gain more trust and support from its citizens. If the government monopolizes its information resource, or if the government controls the access to information, its administrative ability and effectiveness will be seriously undermined.

In practice, Chinese journalists like those in *Caijing* have attempted to revive the role of watchdog. It is termed 'media supervision' (*Yulun jian du*) by Chinese journalists themselves. It has been officially, institutionally permitted because the government wishes to improve its image in society and it also requires some checks and balances to improve its corrupt administration. Since the mid-1990s when China became more open to international society, the government has redefined the primary role of media as agenda-setting (*yulun dao xiang*), rather than propaganda (*xuanchuan jiaoyu*). The



‘agenda-setting’ was made clear by President Jiang Zemin during his visit to the offices of *Renmin Ribao* (*People’s Daily*) on September 26, 1996. The notion that agenda-setting is the main task of the media has become standardised in the description of media policy since then (Chan, 2002:47-48). As Chapter Three has discussed, Li Changchun, a political star who moved to the Politburo in 2003, suggests that news reportage should focus on reality, the truth, and society (2003:3-10). During his inspection in the studio of ‘Focus’ in CCTV on October 7, 1998, the former Premier Zhu Rongji reiterated that the media are ‘the voice of the people’ and ‘the mirror of the government’. The former secretary-general of the CCP Jiang Zemin has stated in both his reports to the 15<sup>th</sup> and 16<sup>th</sup> CCP congresses that China should strengthen supervision by the press (Interviewee 1).

These institutionalized arrangements give limited space to media practitioners. The traditionally conservative Xinhua News Agency, for instance, launched an in-depth reporting team, *Xinhua Focus*, on April 1, 2000, covering serious social and political issues. From its debut in April 2000 to early 2004, *Xinhua Focus* produced more than 1,500 pieces of investigative reporting, most of those uncovering local official corruption (Interviewees 5 and 16).

From the practice and the viewpoint of the Chinese authorities, the role the news media play for the people or for the party is not contradictory but compatible. However, when the media escape from or challenge the bottom-line set by the party and the government, the Chinese authorities impose heavy pressure on the news media without any doubt, even if the media are welcomed by ordinary citizens. The ban on the *21st Century Global Herald* in March 2003, the purge of *Oriental Magazine* in mid-2003, the



allegations against the crucial figures of the *Southern Metropolitan Paper* in spring 2004, are all products of the party's coercive system.<sup>8</sup>

In this sense, the changes in *Xinhua* or other media may not imply much liberalization in Chinese media politics. But these changes may be a combination of the influence of media globalization and market competition. They may reflect the self-improvement of mainstream media to avoid losses when the TNMCs have been appearing in Chinese media market. The limited media liberalization is institutionalized because the party and the government still set the line for the news media. For instance, the Propaganda Department set the boundaries of press autonomy in February 1995 with the *Twelve Principles (shi er tiao)*. The major concerns of these principles are harmonization of the media with the line of the Party, the good use of propaganda on every occasion, training of famous journalists, and the need to report on negative aspects of life without sensationalism. In October 1996, the CPD promulgated eight new regulations prohibiting the media from reporting on anything that might damage the image of the Party and the government (Herbert, 2001:139). The regulators and the practitioners inevitably collided with each other. While some journalists see themselves as civil servants, an interviewee describes the situation more bluntly:

‘We are like dogs on a leash, a very short leash. The rules of coverage, while mostly unwritten, are well understood. We have to portray even negative things in a positive light. In China, muckraking reportage and the latest government propaganda are a joint venture.’(Interviewee 10)

---

<sup>8</sup> As Section 2.4 has discussed, the coverage of the interview with Li Rui about Chinese democracy led the CCP to ban *21<sup>st</sup> Century Global Herald* in March. The investigation reporting on the corruption of Ma Tianze, the boss of Pingan Insurance Company, with some leaders in the Central CCP made the media authorities ban *Oriental Magazine (Dongfang)*; The allegations against managers of the *Southern Metropolitan Paper* will be discussed in Section 4 of this chapter.

This contradiction demonstrates that the institutionalization of media governance is just at the beginning stage. The model of adjustment of media governance is a mix of bottom-up and up-bottom. When the TNMCs have increasing influence on the adjustment of media governance, a few domestic media practitioners demand more space and they also attempt to escape from the control of the Party and the government. These attempts vary in different localities. News media in the south of China are normally bolder in reporting controversial issues than their northern counterparts. But that bold performance still has its bottom line. Liu Zhouwei, editor-in-chief of the *21st Century Economic Herald*, argues that they have to refrain themselves from irritating supervisors, 'because we want to survive under party-control'. Under such self-censorship, media practitioners would not like to 'take the risk for sensitive content that would provoke the government. In China's media circles, survival is better than becoming an instant hero.' (Interviewee 45)

In other words, the survival principle held by TNMCs stimulates Chinese media managers to practise self-censorship. Otherwise, he or she has to face the fate of abandonment and purging like the *21st Century World Herald*. In mid-March 2003, it boldly published a lengthy article interviewing Li Rui, former secretary of Mao Zedong. In this interview, Li Rui criticized the current political system, where there is no space to express different opinions even within the Party. Li Rui called for a new institution to promote intra-party democracy (Interviewee 46). This article was warmly welcomed after it was published. And, it was regarded as a sign that the new leadership generation would like to monitor political reforms. However, a month later, the *21st Century World Herald*

was purged. In this way, self-censorship curbs the social role the news media play. There is no written law that establishes the precise limits of what journalists are not allowed to report and write. They have tried to write strictly in line with Party principles to avoid criticism and punishment. Self-censorship has become the most effective instrument for controlling journalists. The press tends not to report stories about journalists who are harshly criticized.

### 3.2 'Zola'-journalism and Paid Journalism

One aspect of the profound influence of media globalization on Chinese media culture relates to the ethic of journalism. In a free society such as there TNMCs originated, one of the media tasks is to 'scrutinize those who exercise power' (Pinker, 1996: 61). In other words, the concept of the 'fourth estate' in the West is now acceptable for some Chinese media practitioners since media globalization has taken place in China. Although there is a confusion over whether the media should choose between serving the people or the party, Chinese journalism, like that in Eastern Europe, occasionally adopts a Zola-like stance of social responsibility, 'with journalists serving as "analysts" of events, people, ideas, and so on, from a normative or ideological perspective.' (Gross, 2002:120-121) The ethic of journalism and media culture in the West has been introduced to students in schools of journalism and mass communications of Chinese universities. It is repacked into Chinese Confucianism, which also seeks to restrain its rulers' power. For doing that, courageous and bold individuals should criticize repressive rulers, making the principled literati regard themselves as intermediaries between the government and the people (Goldman, 1994:5).



Although it is difficult to put the westerns concepts of media professionalization into Chinese practice, there are some bold journalists criticize the authoritarian regime from a normative or ideological perspective. In this way, the western journalistic ethic has still developed ‘Zola-like’ journalism. *Nanfang Dushi Bao (Southern Metropolis Papers)* is a typical case.

*Nanfang Dushi Bao (Southern Metropolis Papers)* was one of the first news media to report the case of Sun Zhigang, a college graduate and graphic designer who was brutally beaten to death while in police administrative detention in the middle of March 2003. A month later, Chen Feng, an investigative reporter in the *Southern Metropolis Papers*, revealed it with several pages under the title ‘The death of detainee Sun Zhigang’. This investigative story was listed on most of the popular news websites such as [www.sina.com](http://www.sina.com), [www.peopledaily.com](http://www.peopledaily.com), [www.sohu.com](http://www.sohu.com), and so on. Readers soon posted plenty of bulletins on the web to protest against the maladministration. Following the *Southern Metropolis Papers*, other well-known media, such as *China’s News Weekly*, the *Southern Weekend*, *Beijing Youth Daily*, and so on, provided further detailed coverage of the Sun Zhigang Incident. On May 14 2003, three researchers with legal doctoral degrees, submitted a proposal to the NPC, suggesting *the Provision of Administrative Detention in the City (Chengshi liulang qitao renyuan shourong qianshong banfa)*, which was enacted in 1982, should be abolished. With plenty of updated coverage, the *Southern Metropolis Papers* further scolded the detention system under the title ‘Six inquiries on the detention system (*liuwen shourong qianshong zhidu*)’ on May 27. It enquired into the detention system in terms of its legitimacy, the rationale for its existence, its supervision, fines for detention, abuse of human rights. It underlined the point that, ‘the maladministration and

ineffectiveness of the detention system has been discovered, it is time to reform it.’<sup>9</sup> On June 9, 18 persons involved were sentenced to the death penalty, life imprisonment, and jail terms, respectively. On June 20, the State Council promulgated a new decree on detention issues, replacing the 1982 one. It added in some places rulings on the human rights of immigrant farmer workers in the city.

The Sun Zhigang Incident demonstrated how the leading role of the media may stimulate self-awareness of civil rights and the rule of law for their citizens. It may formulate a model of interaction between civil institutions and the government, when the news media reverts to its role as ‘watchdog’, in the Chinese saying, ‘mouth and tongue of the people’ (*Renminxing*), becoming a significant instrument of public supervision. This could encourage the educated and well-off middle class to call for more open and accountable government.<sup>10</sup> The increasing willingness of Chinese people to express their own opinions in newspapers, on the radio, television, and the Internet, make the media into public places. Then, driven by the public consensus, the government have to respond to the news media and public opinion. The process may be spontaneous in the first stage but it could become a push toward institutionalization in the final stage (Zeng Huaguo, 2006: Chap.1).

To a great degree, the case of Sun Zhigang reflects the changing relations between the media, society and the state under media globalization. The state no longer completely controls society and the news media. The society has opportunities to influence the national will (*guojiayizhi*). It implies that political participation among

---

<sup>9</sup> *The Southern Metropolis Papers* further castigated the detention system under the title ‘Liuwen shourong qiansong zhidu’ [six questions about the detention system] on May 27, 2003.

<sup>10</sup> For more about China’s middle class, see Li Chunling, ‘Zhongchanjiechun: Zhongguo shehui zide guangzhu de renqun [Middle Class in China: a Group Worth Studying]’, *Zhongguo shehui xingshi fenxi yu yuche [Blue Book of China’s Society: Analysis and Forecast on China’s Social Development]* (Beijing: Social Sciences Documentation Publishing House, 2004), pp.51-63.



Chinese citizens could be enhanced if the news media provided more information rather than propaganda messages. It can raise a kind of social force to negotiate with the state. If there are freer places for news media, the government has to become more of a servant, instead of manager, of its citizens. But if the citizens and news media impose their impact on the state gradually and skilfully, the media can return to its role of watchdog.

The case of the Sun Zhigang Incident shows the positive impact of media globalization on Chinese media ethic, however, there is also a negative influence on Chinese journalism in the course of globalization and commercialization. The blurred media roles, together with money-worship, drive some journalists on another path. Some journalists begin to abuse their power. After the Fanshi story cover-up case, the professional ethics and standards of Chinese journalism have to be re-examined and re-established. In September 2002, the Fanshi gold mine explosion accident in Shanxi Province killed 39 people and was followed by a massive cover-up. 11 journalists were found to have taken bribes to stay silent about the deadly disaster. They took bribes totaling 74,600 Yuan (US\$8,987) in cash and gold (Interviewee 16). The journalists involved abused their media power. They exchanged the public trust for their private benefits. This case is not isolated. In fact, the 'red packet' phenomenon, which refers to the traditional custom of offering a gift of money wrapped in red paper, is popular in China's media circles. The 'red packet' turns news into advertisement and results in no journalistic ethic. A popular ditty sums it up this way, 'the first-rank news workers play with the stocks, the second-rank get advertisements; the third-rank take bribes; the fourth-rank write for other papers; the fifth write for their own paper.' (Interviewee 55) The reasons for paid journalism, or 'envelope culture', have been identified, as: (1)



journalists' incomes are comparatively low given their level of education; (2) journalists have poor professional awareness of their role as a 'fourth estate'; (3) the profession is risky; and, (4) there is no press law to specify improper behaviour and relative punishments (Lynch, 1999:64; Zhao,1988:chap.4). Moreover, there are carrots as well as sticks in Chinese media circles. For those who use a journalist's title for the sake of personal gain, they may have good performance and promotion both in media circles and regulatory circles. For those who act as watchdogs, they may be black listed throughout the propaganda system, and even abandoned by their boss. With this confusion, it is difficult for the Chinese media to stick to truth and objectivity, which ought to be the lifeblood of journalism in the west. The cost in public trust has been immeasurable because journalists are regarded as disreputable, untrustworthy and dishonest.

The regulatory bodies try to keep the negative sides of media globalization and media marketization to a minimum. They have issued many measures to curb the malpractices of journalism, strictly prohibiting 'paid journalism'. In August 1993, the CPD and the SAPP issued a joint circular to campaign against paid journalism. The State Council General Office also issued a circular, which asserts that 'No cash gifts or negotiable securities should be given to reporters and press units under any condition.' The National Journalists' Association established and continuously improved the code of ethics of journalism by drafting many articles to attack paid journalism. In 1994, it clarified that a journalist 'should not accept money or negotiable securities in any form from units and individuals they report on.' The Advertising Law of the PRC, which was enacted in February 1995, codifies that news-reporting and advertising should be separated. The government has even forced journalists to take a test since 2003, mostly

focusing on journalism ethics. However, some journalists and media organizations have still continued their illegal and unethical practices in all forms. The campaign against paid journalism becomes a case of ‘loud thunder, small raindrops’ (*leishengda, yudianxiao*). In 2003, the amount in a ‘red packet’ for a news conference in Beijing’s real estate industry rose to RMB 1000 Yuan and at least RMB 5000 Yuan for a feature report (Interviewee 8). The practitioners maintain that paid journalism is not just a moral issue. Bribery and corruption are a structural problem in China’s political life (Zhao Zhenyu, 2003:21-28), rooted in ‘the contradictions between the party’s old ways of conceptualising and organizing journalism and the new commercialised environment under which journalism operates’ (Zhao, 1998:84).

However, Chinese journalists themselves are reluctant to think of themselves in those terms. In fact, they work hard to maximize their autonomy. The role of being a professional journalist precedes that of being a Communist Party member. A prominent editor on the *Southern Weekend* argues:

‘Some believe that journalistic bribery and corruption is a direct result of media globalization and media commercialization. In fact, there is little scandal over bribery in the market-oriented media. In contrast, it always happens in the Party media. Therefore, the direction of media reforms is to establish more market-oriented media institutions, in which there are pools of media workers with accountability, detachment, and rationalisation. They [journalists] should provide comprehensive, timely, balanced information and opinions. (Interviewee 10)



### 3.3 An Alternative: Escapism and Hypnotism of Chinese Media Culture

In the course of globalization, Chinese media practitioners have come to understand the basis of the mass media as the 'fourth power' in the society. However, under the strict control by the authoritarian regime, they cannot put theory into practice. The widespread usage of Western jargon in media criticism and the adoption of Western reporting techniques and genres makes it possible for Chinese media practitioners to recognise concerns about their own roles. But the dismissal of some bold journalists in 1989 as well as the repressive political climate following the Tiananmen Incident frightened outspoken journalists (Chen, 1999:168). If the mass media cannot be accountable to the people, Chinese journalists may not do it for the party. They changed their radical attitudes to media reform, and they 'keep silent, rather than lie' (Interviewee 10). Therefore, the Chinese media culture in terms of journalism has adopted the commercial norms of TNMCs directly and indirectly. As Sections 2 in this chapter have examined, under intense competition with the TNMCs, most Chinese media practitioners cynically choose the 'third way'--- populism---to provide sensationalized and entertainment stories for audiences. Therefore, the media play the role of entertainer.

Entertainment is one of important roles that TNMCs have proclaimed. It partly stems from the idea of consumer sovereignty, which argues that free markets perfectly reflect and respond to consumer demands (Pratten, 1997). The tabloid practitioners suggest that adherence to the free market needs a lot of media elites who understand economic and media principles. The previous press established by politicians should be gradually replaced by those set up by media elites. The increasing strength of market forces is driving Chinese media professionals away from the conventional Marxist-Leninist model.



The market becomes 'the principal means for societal actors to gradually and subtly influence the political process and alter the balance of power between the state and society' (Pei, 1994:150). For maximizing media audiences as well as profits in the course of global competition, Chinese media adjust their editorial styles, increase diversity of information and entertainment, and cut propaganda messages. To some degree, Chinese journalism shares issues in common with those of Eastern Europe in the post-communist era (Gross, 2002; McNair, 2001), where journalism has been influenced by the commercial norms of TNMCs. Ma Wei, editor-in-chief of *China Culture News*, claims that only after newspapers have conquered the market can they talk about guiding the market and winning the ideological war (see Zhao, 1998:140). A media manager in Beijing argues that more straightforwardly,

'Papers in the major cities need to consider first and foremost that they are in a business. If they want to make a profit, their newspapers must increase circulation. If they want to increase circulation, they must make newspapers more readable, provide what readers want, and create more public discourse.'(Interviewee 27)

In operation, both the Chinese domestic media and the TNMCs acknowledge that their audiences are far from being gullible. In order to minimize their costs and maximize their profits, they attempt to formulate attractions of production, promotion and distribution. Chinese media practitioners call it 'industrialization (*chanyehua*)'.<sup>11</sup> They keep 'propaganda' to a minimum and replace it with cultural and entertainment news, or

---

<sup>11</sup> See, for example, a speech of Wang Chuangtian, CEO of private-owned Guangxian, 'Zhongguo yule dianshi jiemu gongyehua shengchan', *Zhongguo chuanmei ziben shichuang yunying [The Operation in Capital markets: China's Media]* (Guangzhou: Nanfangribaochubanshe, 2004), pp.320-331.

so-called 'infotainment' by the TNMCs. To some degree, their works are not simply a 'party service', but the creation of products that compete for audiences against other media (Qian Wei, 2002:99). In the broadcasting television sector, talk shows, game shows, fashion shows, and cooking programmes emerged on screens in addition to soap operas. Hot topics, dramatic story lines, hidden cameras, street interviews, slick graphics are key ingredients which have all contributed to the popularity of Chinese television programmes. Imitating American shows like *Cops* or *48 Hours*, television crews ride along with the police for the purpose of exposing crime and corruption (for instance, CCTV's *Fazhi zaixian*). The introduction of late-night talk shows with call-in lines saves the radio from bankruptcy. The subjects range from dissatisfaction with municipal garbage pickup and congested roadways to open-mike poetry recitations. But the hottest topics are sex and divorce. The *Beijing People's Broadcasting Station's* evening 'hotline' receives thirty to fifty calls a night. By remaining anonymous, participants bring up subjects they would never discuss with their coworkers or family (Interviewee 47). In Shanghai, both the mayor and the vice-mayor have responded to people's questions on the radio. The content may not be overtly political, but in a country where voicing complaints has always been risky, a direct line to the leadership is a novelty (Jernow, 1994). Furthermore, entertainment programming has become increasingly liberated. A greater degree of independence is now granted to producers. In order to survive in the marketplace, the state-owned broadcasters, traditionally collaborating with non-commercial interests, are now beginning to find new ways to recreate their operations outside the mainstream public sectors. The alliance with commercial interests is no longer a taboo, but a necessity, and also a way to deal with cost-saving pressures.

Private-owned *Guangxian Ltd.* now provides at least seven hours of entertainment programmes every week to more than 100 state-owned television stations.<sup>12</sup>

In the newspaper sector, journalists and editors have provided soft news in weekend editions of mainstream dailies since 1992. They play double roles, which can be summed up in the words of an interviewee, ‘during the week, these papers fulfill their Communist party obligations; on the weekends, they make money.’ (Interviewee 49) In the mid-1990s, metropolitan tabloids, which prefer sensational stories, bloomed all over the country. For many, the primary goal is to make money. They have also discovered that pushing the boundaries of the envelope to get real news—the more sensational the better—is the best way to be a winner in the marketplace (Gough, 2004). The typical tabloid story is trivial, scurrilous or invented, involving trivialization, sensationalism, obscenity, vulgarity, and sexism. Thus, Daniel Lynch argues that Chinese journalism,

‘is being used in China neither to prepare the ground for a liberal democracy nor to build a socialist spiritual civilization.....Politically conscious journalists can therefore harmonize their interests with money-minded media outlet managers. The only loser is the central party-state.’ (Lynch, 1999:96, 98)

The new media formats, with less hierarchical presentation of subject matter and more informal style, are mostly presented with a talk show and phone-in where people participate as themselves rather than as representing an institution. It can be interpreted as journalist’s self-liberalisation and as the Party’s loss of media control. Subsequently, Chinese journalists give more room for ordinary people to voice their opinions. Human

---

<sup>12</sup> see, for example, a speech of Wang Chuangtian, CEO of Guangxian, ‘Zhongguo yule dianshi jiemu gongyehua shengchan’, *Zhongguo chuanmei ziben shichuang yunying*; Zhou, Wei (ed.), *Meijing Qianyan (Media Frontiers in China)*, pp.46-50.



interest stories appeared, squeezing out positive propaganda stories (Burgh, 2003:40-43). The past decade has seen a proliferation of publications beneath the once stifling canopy of the propaganda machine, though the Party remains an adamant overlord. As a result, the media establish a kind of public sphere, which provides preconditions for developing democracy.

However, like their international counterparts, Chinese media practitioners sometimes slip into another extreme. They seriously neglect their role of providing a public service. For instance, 44 percent of CCTV's total programming in 1984 was cultural and entertainment programming, compared to 35 percent of the total devoted to educational programming. In 1990, educational programme on CCTV decreased to only 5 percent, while entertainment reached nearly 60 percent (Hong, 1998:79). As China continues moving toward international society, it requires diversity of information to breed social pluralism and to reduce dependence on the Party and state (Chan, 1994a:70-88). Without the basic social responsibility, the media cannot represent the 'people-ness'.

The contradictory roles that Chinese journalists play reflect the ups and downs during an evolutionary process. Some share the universal democratic ideas of the media as watchdog while others hold the hard-line that the media is an instrument for party-control. The Zola-type journalism, in which some journalists play a role as intellectuals, rather than reporters, tried to sow the seeds of democracy in China (Goldman, 1994).

Whilst the communist cultures are still the mainstream of news media culture advocated by the Party, freedom, individualism, materialism, gastronomy and other

westernized moral standards as a result of media globalization, which are considered by the Party as ‘spiritual pollution’ and ‘bourgeois ideology’, have already permeated into the Chinese mass media. Although there are many measures to control the rampant non-mainstream media content, all lack effectiveness due to the fragmentation of media structure, which has been discussed in Chapter Five. Some interviewees maintain that the significant difference between central and local organizations make supervisory control difficult. The effectiveness of supervisory control depends on the proximity of the unit to the Centre and the unit’s audience size (Interviewee 1). The key Party organs at national level---major newspapers and broadcast networks---may be kept in the hands of central authorities. The provincial news media are supervised not as tightly as the central ones. The media outlets at municipal and county levels enjoy more freedom as local authorities promote their economic development. As a result, the audiences have compared the central media content to ‘distilled water’. The provincial media content is regarded as ‘boiled water’. The municipal and county — filled with sensational stories, violence, and action — is ‘Coca-cola’ (Zhao, 1998:168). The media as a whole singularly failed to engage in any substantive self-criticism. Instead, it always prefers trivialization to more constructive and serious analysis.

Media globalization produces Chinese domestic media institutional transformation and media industrialization. They combined synthetically to generate a movement of fledgling journalism reform and the emergence of discourse on media democratization in the mid-1980s and media diversification in the 1990s. With the continuing openness, market forces in the course of globalization began to rapidly penetrate into every aspect of news media operations and management. The cloning and adoption of foreign

commercial models and programme formats, which is called local-globalization by practitioners, partly excludes the political and educational roles of Chinese media. Instead, they assume the role of an entertainer to amuse the masses, a tendency toward tabloidization of journalism (Qian Wei, 2002:99).

Chinese journalists may be aware that the life of journalism lies in courage and sincerity that does not bow down to power and does not flatter. They may comprehend that good journalism, defined by the Western media, aims at 'discovering and promoting the audience's understanding of an event via truth-promoting methods' (Kieran, 1998:34). Hence, impartiality is very important. The internal goal of journalism to inform the public about significant events requires journalists to strive to be impartial and thus objective. Like other transitional and transformational states, the Chinese media need to be professionalized. In other words, the journalist's commitment to norms of objectivity and impartiality is one of the significant characteristics of the 'liberal broker'.

However, the worst thing for the Chinese media is that the practitioners stick to powerful actors, no matter whether they are political or economic. If they generally regard their audiences as consumers, rather than citizens, the possibility of providing objective and impartial information would be deliberately reduced. It may shift from out extreme of political propaganda to another commercial propaganda. Then, they would generate a division of the audience into two parts. One is mostly wealthier and better educated, which 'consumes' news of perhaps a higher quality; the other is the poorer, less educated, rural, and substantially drawn from minority groups, who embrace a tabloid style of local news. This dilemma is also criticised in the West (Hallin, 1994:179). If the media produce such cultural barriers, as well as the knowledge gap, they may not create a



new political culture. As in the Chinese saying, it could be like sowing seeds on barren ground.

#### **4 THE STRUGGLE FOR MEDIA FREEDOM: THE CASE OF THE *SOUTHERN METROPOLIS PAPER***

The previous sections argued that under global competition the Chinese media practitioners have been keen to provide entertainment for their audiences, leading the institutional transformation of media governance in term of media culture, and driving the ‘dumbling down’ of Chinese society. It may make them less sophisticated in the ways that they think about politics. The media performance and media culture have been transformed from a uniform style to diversity. Some media still hold the party’s hard-line, some change to entertainment, and some struggle for more public spaces. The latter indicates a trend of Chinese media evolution: when China has become more participative in global society, some of its media would act the role as the ‘fourth estate’ after they have obtained enough financial independence. The allegation may be explained as *Nanfang Dushi Bao* (the *Southern Metropolis Papers*) paid the bitter price for the inevitable conflicts between roles being a tool for the government, and also an independent media outlet expressing what people care about. The paper, which used to be an entertaining tabloid, has gradually won a justified reputation for its aggressive in-depth stories on what is truly happening in China. As the previous section has discussed, it was one of the first news organization to report the case of Sun Zhigang, a college graduate and graphic designer who was brutally beaten to death while in police

administrative detention in March 2003. Its call for international attention to investigate the SARS outbreak in Guangdong Province in early 2003 received the fiercest criticism from the local government, but the follow-up story on a possible SARS patient on February 27, 2004 was confirmed immediately by the health department in Guangdong and the central government. It also attracted attention locally and internationally.

When the Chinese media assumed they could enjoy more space to exercise their role as ‘watchdog’, the arrest of the senior managers and editors of the Southern Metropolis Papers extinguished their ambition. Yu Huafeng, the associate-chief-editor and general manager of the *Southern Metropolis Papers*, and Li Mingying, the former board member of the social committee in the *Southern Daily Newspaper Group*, were both found guilty and sentenced to prison for bribery and embezzlement. Cheng Yizhong, the editor-in-chief of the *Southern Metropolis Papers* and the *New Capital Paper* under the *Southern Daily Newspaper Group*, was arrested on March 19, 2004 (Interviewee 48).

The allegations against the *Southern Metropolis Paper* attracted much attention nationally and internationally. In China, the commercialized media or semi-independent media organised themselves as an ally to defend their own rights; the mainstream media, however, stand aside, even with an attitude of schadenfreude. Unlike those party media which kept silent, the relatively independent media allied with and defended their colleagues with a rational attitude. Rather than using the concept of press freedom which would provoke the government, they employed the concept of constitutional governance and applied other existing laws to rescue their peers. *Caijing* first reported this case in early March. According to *Caijing*, the charge against Yu Huafeng seems unreasonable, because there is an ‘annual accounting schedule’ between the *Southern Metropolis Paper*

and the *Southern Daily Newspaper Group*. The senior managers have the right to distribute their awards and bonuses when they achieve their business goals (Pan Xiaohong, 2004).

Beyond the economic charge, according to some insiders, it has long been known that some officials in Guangdong swore revenge for the ‘negative’ reporting by the *Southern Metropolis Paper*. They did it because the coverage of Sun Zhigang, SARS, and other cases enraged the local government. According to the history of the CCP’s method of governing, the government is keen to unleash the media for free discussion and reports for a brief period, and take revenge afterwards based on their previous words and deeds. This case, however, is more than ‘revenge’ from the local government. It is trampling on the Constitution (Interviewees 6,8 and 16). The Chinese media and intellectual circles care about the progress of Chinese constitutional reform. The current legal system and administrative regulations are facing the fundamental challenges of how to switch the system smoothly without stirring up more turmoil. The case of the *Southern Metropolis Paper* demonstrates the painful price journalists have to pay for media transformation from the central-controlled government-owned management system to the modernized market-orientated system.

The in-depth rational discussion by independent media like *Caijing* and other social organizations finally prompted reexamination of the case of the *Southern Metropolis Paper*. Some senior politicians such as Ren Zhongyi, a prominent liberal reformer in Chinese politics in the 1980s and early 1990s, have participated in this debate (Pan Xiaohong, 2004). During this process, the emerging independent media showed their strength as a political actor to stimulate the social awareness to defend their own rights.



Finally, Cheng Yizhong was freed in late 2004 and the *Southern Metropolis Paper* still covers investigative report. With an acceptable institutionalised way, the Chinese media authorities permit the media practitioners to struggle for their freedom.

## 5 CONCLUSION

This chapter has examined the extent to which Chinese media culture has transformed from the monopoly of Marxist media culture to the de-propagandization of media culture, leading to the ‘dumbling down’ of Chinese society. It argues that when increasing TNMCs appear in Chinese media market with audience-appealing entertainment, the Chinese media practitioners institutionally adjust their performance and operation principles, then making the transformation of media culture from communist journalism into a multi-cultural, pluralism style. This change makes it possible for Chinese media practitioners to lower the number of propaganda messages and increase the entertainment content, and results in making Chinese society less sophisticated in the way that it thinks about politics in the globalization era. Therefore, the model of media governance in media contents has transformed from the top-down model to the bottom-up model, or at least a mix of the two.

The complicated implications of entertainment have been significantly ignored in the literature on media politics in China. For conventional analysis, entertainment does not confirm to a classic liberal conception of the rational exchange between the rulers and ruled. This assumption is that the purpose of public debate in the media is to

influence changes in government policy and exercise democratic control over the state. We cannot make simple interpretations of political effects on the news or of the media's effect on politics. In the Chinese context, however, entertainment has rich implications for democracy. As James Curran points out, 'in fact media entertainment is one means by which people engage at an intuitive and expressive level in a public dialogue about the direction of society.' (Curran, 1991:102) In this sense, entertainment programming is 'an integral part of the media's "informational role" (Curran, 1991:102).' The presence of TNMCs in China generated increasing entertainment and pluralism of journalism, having a profound impact on reforming China, providing alternative information different from any official bulletin. In the west, the homogenization, commercialization, and trivialization of media products are regarded as impinging on their democratization capabilities (Sparks, 2000: 2-5). However, in the Chinese context, the western style of media content regarded by the Party and government as 'spiritually polluting'; 'vulgar'; 'pornographic'; and, 'feudal superstitious' materials, acts as an invisible weapon, weakens the state's media governance to build a 'socialist spiritual civilization', and undermines official vigorous criticism and political campaigns since the 1990s. The rise of media culture with consumerism, individualism, cynicism, authority scepticism, and human rights, ensuing from globalization and imported programmes and norms, can revalidate or adjust social attitudes that shape social relationships. Therefore, entertainment programmes may have become a force for political, cultural and social changes in China, offering alternatives to uniform official ideologies, expectations, and lifestyles. These messages may help to disturb authoritarian governments and repressive traditional rules, stimulating visions of liberalisation from the suffocating circumstances

of everyday life. They have provided more opportunities for Chinese audiences to establish their public spheres, to stimulate political awareness, and to cultivate a democratic social culture. They put competitive pressure on state-controlled media systems, develop rapid dissemination of the popular culture in the dominant commercial media, and make for greater linkages among people and the emergence of some kind of global culture, whose main theme is democracy. Market-oriented media undermine the political control of the Communist party. A non-state controlled public sphere may emerge as the party's administrative and ideological control of the media is weakened.



## **CHAPTER SEVEN**

### **CONCLUSION: DISMANTLING THE PARTY'S MONOPOLY**

#### **1 INTRODUCTION**

The preceding chapters have sought to demonstrate a unique, complex story about the influence of globalization and TNMCs on Chinese media governance. This study argues that the traditional model of media governance has gradually been dismantled and become increasingly institutionalised with the increase in governance participants. This study as a whole also argues that Chinese media reforms have not only responded to internal dynamics, but have also benefited from external support. This support includes mass aspirations for economic and political liberalisation, elite politics that embrace economic reforms but block political liberalisation, and transnational connections that have favoured a liberalized climate (Lynch, 1999; Zhao, 1998; Hong, 1998; Winckler, 1999). To some extent, global forces have become the liberal broker for Chinese media transformation. The authoritarian government resisted dramatic political changes by institutional mechanisms. The presence of TNMCs is a result of institutional arrangements, but it goes beyond governmental arrangements. Their appearance stimulates the demand for further media reforms, and even political reforms. It is safe to argue that there is a substantial impact of globalization and TNMCs upon media governance. There is a big transformation of media governance in China in terms of media institutions, regulation, market structure, and media culture.

This chapter begins with a summary of the main arguments in this study. Secondly, it argues that the increasing dismantling of the Party's monopoly over the media has rich

implications for China's media governance. The relationships between the state, the domestic players, and TNMCs, respectively, are considered here. Finally, further objectives of possible research on media politics in China are suggested.

## **2 RESPONSE TO THE RESEARCH OBJECTIVES**

In this study, I set up four primary objectives. All of them have been examined with original material.

Firstly, the roles that TNMCs play in the ongoing changes of China's media governance have been identified. TNMCs have become one of the most important power brokers. On the one hand, the TNMCs bargain with regulators to build up their own platforms of production, promotion, and distribution in terms of publications, television, movies and magazines, though the government has sought to minimize their impact upon Chinese society through many measures; on the other hand, TNMCs cooperate with different Chinese media organizations, such as provincial media channels, ministry newspapers, institution magazines, publishing houses, and so on, to penetrate the Chinese media market. The monopoly of the party media, for instance, CCTV, has been gradually undermined. Therefore, the Chinese media structure has been transformed from party-monopoly to a dualistic system, in which state-owned and private-owned media compete with each other in the marketplace.

Secondly, incentives for media governance changes stemming from the TNMCs and globalization have been explored. In order to sustain economic growth and integrate into the international economy, the Chinese government was forced to open its media market

in a limited way, both for TNMCs and private investors. The media have been regarded as an industry. This media industry resulted in a freer flow of information in China. However, there have been many mishaps during media globalization and commercialization. The investment from other industries has given them the right to operate the media. The investors, in most cases, are not given actual control and authorized property rights of the media they invest in. Such governance may not ensure the rights of private capital and may even be more damaging for foreign investors than Chinese investors.

Thirdly, the examination of the existing proposed structures of media regulation through the main body of this study, particularly in Chapters Three and Four, demonstrates that media-policy making in China has become more institutionalised. The increasing bargaining within different parties and more transparency in the process of policy-making, though still lacking stability, show that the model of policy creation has been gradually transformed from a 'leader-determined' model to a 'consensus-building' model, at least, a mix of the two. Rather than only being determined by the leaders of the party or the government in the past, media policy making has increasingly been formulated by bargaining between different participating groups. And, this process has become more regularized and transparent. To some degree, the increasing participation on the part of domestic media, transnational media corporations, and local media regulators, rather than the central Party itself, may provide a relatively effective, fair, equal regulatory system. The design of these reforms made the authoritarian system work more effectively under the new circumstances.

Fourthly, this study has examined the values and institutional features of China's



media governance. These values and features have potential for the future. As Chapter Five discusses, ownership of some media has been allowed to transform state-owned to public-owned companies. As Eric Kit-wai Ma suggests, 'market forces open up spaces and accumulate financial power, which can be translated into bargaining power.' (2000:24) The stable investment by large commercial companies has helped to offset the fact that media revenues were notoriously vulnerable to the periodic ups and downs of the advertising market. To some extent, this situation is similar to that of the British press in the nineteenth century, in which the growth of newspaper profits, mainly from advertising, enabled the press to free themselves from state and party subsidies and to develop independent organizations for gathering news (Curran, 1997:64-99). In the Chinese context, the strength of market forces could be showed by the demise of the monopoly of the national media and the rise of local media. Due to the differences between localities, the structural changes of mass media provide more possibilities to promote liberal and independent editorials. The pluralism may weaken the party-control over the mass media.

### **3 DISMANTLING THE PARTY MONOPOLY**

This study has examined the complexity and flexibility of the transformation of China's media governance in the course of globalization. This examination has gone beyond the research objectives discussed in the previous sector. This section provides a clear understanding of the media transformation by dividing China's media politics since 1992 into three periods. Later, it will establish five areas of academic originality.

The whole picture of media politics in the PRC from 1992 could be described as the dismantling of the party's monopoly, though the communist party still dominated the ruling positions. The increase in bargaining between different media regulators and practitioners, though still lacking stability, showed that the model of media governance, particularly policy creation, was transformed from a 'leader-determined' model to a 'consensus-building' model. Chapter Three argued that the increasing institutional media power may gradually dismantle the paramount party leader's determining. Chapter Four argued that deregulation and re-regulation may slowly dismantle the domination of the CCP's regulatory power from that of a mono-policy-maker to a multi-policy-maker; Chapter Five discussed the changes in media structure whereby the monopoly of the state-owned media structure was dramatically dismantled; and, Chapter Six examined the ways in which de-propagandization also increasingly dismantled the communist media culture.

This transformative dismantlement is a long, maybe never-ending, process. It can be divided into three periods: the pre-transitional; transitional; and, the post-transitional period. Table 7.1 demonstrates some basic features of these periods in terms of their organizational norms, market entry, market structure, and media culture. According to this study, media transformation, as a mix of rationalisation and liberalisation, began from the late 1970s. In the late 1980s, there were some changes in media governance but the Party effectively employed five mechanisms of press control: regulatory, financial, managerial, editorial, and self-imposed control, respectively (Polumbaum, 1990). However, these mechanisms lost some of their effectiveness in the 1990s, as Chapter Three and other chapters discuss. Chapters Four and Five have argued that after 1992 the

CCP lifted some controls over private ownership in the media sector, though it insisted on the primacy of pan-Chinese solidarity over pluralization, and socialist ideology over cultural diversification. Media reforms have been characterized by upholding both authoritarian and market principles. The increasingly market-oriented economy has put structural pressures on media industries to follow suit. As Chapter Six has discussed, the de-propagandization of media culture implies the mass media may dumb down society. The media partly shifted from 'propaganda instruments' to 'an industry', from 'leading the masses' to 'serving consumers', and from 'ideological tools' to 'information providers'. It led to a dramatic change of media content. As Chapter Five and Six have discussed, when mass media gain financial independence, those financial and managerial controls which used to be employed effectively by the Party and the government to govern the mass media lose their importance. Editorial and self-imposed controls have decreasing effectiveness in the Party's media, as well as in semi-independent, independent, and foreign media, though regulatory mechanisms are powerful. In a word, the Party's traditional control machines in the media governance seem to be gradually dismantled in the course of globalization and marketization.

In the process of this transformative dismantlement of party control, globalization and marketization created ethical dilemmas for Chinese journalists. The adjustment of media governance has given more space for domestic media to operate. Courageous and bold individuals have begun to criticize repressive rulers, regarding themselves as intermediaries between the government and the people. However, the media managers would like to maintain self-censorship for the sake of political survival. Therefore, bold journalists in fact have small space for political reporting outside what the regime wants.



On the other hand, under intense market competition, some Chinese media have begun to regard their audiences as consumers, rather than citizens. They choose a ‘third way’---populism---to provide sensationalized and entertainment stories for audiences. This may significantly reduce the possibility for providing objective and impartial information. Then, the Chinese media may shift from the extreme of political propaganda to commercial propaganda instead. Furthermore, corruption in media industries has also become a serious problem. These dilemmas over media roles, together with money-worship, may not drive the Chinese media toward establishing a political institution that furthers social development and democratization.

Table 7.1 Transitional Model of Media Politics in China

	Pre-transitional Model	Transitional Model	Post-transitional Model
Media Guideline	Media as Mouthpiece and Tone	Persuasion-oriented content, profit-oriented management	Watchdog
Media Institutional Arrangement	1. State-owned and governmental subsidiary 2. Central planning governmental management 3. One part of administration	1. State-owned and advertising revenue 2. Conglomeration 3. Semi-governmental institute, semi-enterprise 4. limited non-state-owned media ownership	1. A mix of state-, public-, and private-owned; 2. Macro control and micro openness 3. Public institution; limited privatization of media ownership
Press Norm	Political-oriented	Realism, Escapism and Hypnotism	Objectivity, fairness and neutrality

This study makes five main contributions to the academic debate on this subject:

Firstly, it challenges, or at least qualifies, the ‘value-domination’ model in the study of media politics. Traditional academic literature in the field maintains that the main features of a given media system depend on its political system. A media system is determined by the value of dominant groups in society. Colin Sparks challenges this theory with an examination of Eastern Europe, arguing that media features in such transitional countries have significant continuity with the former communist period

(Sparks, 1998). This study provides a corrective to the 'value-domination' model, illustrating that although China is a communist country, its media system is not completely represented by the ruling party in the course of globalization. Therefore, it is safe to argue that 'the four theories of the press' (Siebert, *et al*, 1963) are unable to provide useful insights into the past, present or future of the Chinese media system. The Chinese media transformation is political in a much deeper and wider sense than western theories expected. The argument that a single, dominant value system determines all of the important features of a media system and a society is clearly inadequate to interpret and deal with a transformative change of the kind that this study has examined.

Secondly, it provides rich original material for examining power relations in Chinese media politics. It argues that when the framework of media governance has been transformed, the localities enjoy more autonomy and the centre-local relationship has changed dramatically. Media governance under globalization increased interactions among the international and national media regulators, domestic and transnational media players. As Chapters Five and Six demonstrate, the provincial media channels and TNMCs cooperate to compete with the monopoly of CCTV. This cooperation is a process of iterated negotiations between the state and the market. A basic principle of these interplays is that all participants pursue profit maximization. The market-oriented reforms led the CCP to reduce their involvement in the media systems. Market forces have become a key variable. On the one hand, the media have become an important actor in the market economy under the guideline of 'governmental body, enterprise operation' (*shiye danwei, qiye jingying*); on the other hand, they have to meet the market demands as an important industry to ensure national economic growth. The regulators may actively



give up their rights in controlling the media industry in detail. They may manage it at the macro level for the sake of pushing for further market-oriented reforms, and they may lose some control as a result of globalization and marketization. If the loss of control can be managed, or if the development of a market economy could provide enough compensation, the state would be satisfied with the markets. Their relationship is compatible and cooperative. The state carefully measures the cost of strict control. If the costs are higher than its expectation or the result does not challenge its power, the state would compromise and cooperate with the market. Ineffectiveness of the market system, instability of reforms, and interference by the state would cause media reforms to change direction. The international and national dynamics are the main factors that affect Chinese media governance toward democratic communication. Although the state tried to consolidate its strength as it found its base diminished in the reforms, the market has revealed its power and dismantled the state monopoly.

Thirdly, it provides some evidence on the main hypotheses proposed in the literature to analyze the political, economical, and cultural determinants of transnational corporations (TNMCs) in China from a macro perspective. This study identifies the role which TNMCs play to undermine the dominance of the CCP in the Chinese media market. Cooperating with provincial and local media channels, TNMCs penetrate into most of the provinces in China. The monopoly of the party-media, for instance, CCTV in the television sector, has been gradually dismantled. Therefore, media structure is transformed from a party-monopoly into a dualistic system.

Fourthly, it provides rich empirical data in studying media market competition and its consequences in China. According to this study, media competition may produce a



marketplace of ideas with appropriate diversity. It shows that TNMCs and domestic media are the two important means of pluralizing information and they both could have positive impacts on policy-makers. Although TNMCs are just at the beginning of marketing in the Chinese media market, competition has become very intense. Each city has several newspapers appealing to a vast range of tastes, and there are scores of national ones. For instance, there are about 200 newspapers in Beijing's market, three times more than those in Hong Kong (Li Ming, 2000). Nowadays media wars exist not only among domestic media but also between the domestic and foreign media. The competition not only involves market shares, but also human resources. Well-trained personnel can vote with their feet by working for foreign or joint media outlets. The proliferation of media outlets since the 1990s has forced editors to become 'marketeers'. In order to survive in the marketplace, state-owned broadcasters, traditionally collaborating with non-commercial interests under the support of governmental funding, are now beginning to find new ways to enrich their operations outside the mainstream governmental sectors. The alliance with commercial interests is no longer a taboo, but a necessity, and also a way to deal with cost-saving pressures. Since the late 1990s, some independent media companies have emerged, and the number has been increasing dramatically. In a word, the market economy has weakened the political control of the CCP, thus a non-state-controlled media sphere is emerging (Huang and Zhang, 1998:35-38). The reforms have had unintended consequences that have further undermined the Party's political monopoly. However, these consequences are not a result of 'media imperialism'. The interests of TNMCs have not overwhelmed the Chinese media. They conformed to Chinese regulations and their main purposes are to meet

audience needs in China. As Chapters Five and Six discussed, TNMCs also provide stimuli for the growth of Chinese indigenous media.

In this sense, media globalization and TNMCs have created fierce market competition both in supply, content, and audiences. The increasing media outlets reframe the media structures, providing more content for audiences, and stimulating diversity of political awareness. The pressures imposed by globalization and TNMCs may steer the media governors and domestic players to pursue further reforms in industrial restructuring. Chinese media practitioners have been aware of media efficiency, which can promote entrepreneurship and engage the media industry in risk-taking and profit-seeking activities. Thus, they have changed their traditional media management, learnt governance experience from TNMCs, and have become profit-oriented. Because increased competition would only result in higher costs and less efficiency, Chinese media regulators have called for the building up of media groups in the late 1990s. Effective competition is a clear and indeed ideal way to avoid the substantial range of economic deficiencies associated with excessive market dominance. It should be pointed out that the market competition could not offer all the solutions for media governance. Market failure would not only undermine the public interest but also weaken the control of the regulators.

Fifthly, and related to the previous points, this study provides rich data about the impact of TNMCs on broader dimensions of Chinese popular political culture devoted to entertainment, rather than news, current affairs and political analysis. As Chapter Six discussed, the de-propagandization of media culture dismantled the monopoly of Marxist media culture. Driven by the entertainment-orientated TNMC media outlets, Chinese

media practitioners have been keen to provide entertainment under intense market competition for the sake of meeting audience needs.

#### **4. SOME ISSUES FOR FURTHER STUDIES**

From the previous discussion, it can be seen that TNMCs have played an important role in speeding up Chinese media reforms by increasing media diversity and competition. However, as Chan suggests, ‘without appropriate social conditions, foreign media culture is like seed sown in barren land’ (Chan, 1994a:84). In a centralized communication system, central policies are the most salient factor at the national level. Other factors include the media’s locations, levels of commercialization, political status, and the strength of ideological control at the local level. At the national level, according to Deng Xiaoping’s conception of reform, the ways of transformation must comply with ‘socialism with Chinese characteristics’, which aims at the elimination of class struggle and the establishment of a socialist market economy. Without exception, the transformation of Chinese media governance has been marked by the juxtaposition of continuous state planning and control alongside, or in conjunction with, the development of capitalist market competition. This juxtaposition has manifested itself in numerous and diverse contradictions and conflicts between media organizations (Latham, 2001:89). On this basis, there are several issues for future studies.

Firstly, conflicts between openness and authoritarian resistance inevitably emerge. Most interviewees pointed out that battles between CCTV and CNN or the BBC could



not be avoided. Until now, the TNMCs and private media have gained official approval to establish their distribution networks. The existence of TNMCs has undermined, as it still does, the CCP's power over the media sector. As China has chosen a path towards the global economy, the communist state has to compromise with both international and national market forces. The emergence of TNMCs has provided diversity and competition in Chinese markets. It has become an engine of change, rather than just a 'cash nexus' that only pursues profits. Therefore, it is worth studying further the importance and the impact of TNMCs. This may be further explored and assessed through the a study of of audience reception, audience effect, comparative studies between TNMCs and the Chinese media, and so on. An attempt may be made to examine the extent to which entertainment-orientated media might lead to a 'dumbing down' of Chinese society, making these media less sophisticated in the ways that they think about politics.

Second, the press should be regarded as a political institution in its own right. Media governance in China has been reshaped, and media reforms were promoted, but press freedom appears to 'be very far away' (Herbert, 2001:137). Instead of social responsibility, the control of news media is reflected in Deng Xiaoping's long-standing reform ideology, which frees the economy but upholds key political power. However, if one takes a longer view of press history, 'appropriate conditions' for media reforms and press freedom have never been autonomously created. Press freedom in Britain, for instance, was attributed partly to a heroic struggle against the state. The press only became free after the abolition of the Court of Star Chamber in 1641, the ending of press licensing in 1694, Fox's Libel Act, 1792, and the repeal of 'taxes on knowledge' in 1853-61 (Curren and Seaton, 1997:7-9). In China, the struggle for press freedom has

continued since 1979. The role of the mass media in shaping pluralization and democratization should be carefully examined. Following this, the ways in which the media influence the citizens, the relations between media and public and, the contents provided by the media are all potentially helpful approaches in exploring the role of the media as a political institution.

Third, media participation needs to be identified more precisely. Thanks to the intertwined logics of party, culture and market, media politics in China have their own system of checks and balances. Chinese media reforms under globalization have their own destiny, such that with every step forward, there will be three-quarters of a step back. The proliferation of foreign entertainment programming leads to some extent to the fear that 'they have seriously challenged and significantly weakened the communists' position and function.'(Hong, 1998:107) Although the Chinese mass media cannot provide a forum like that of liberal democratic countries, it cannot be denied that the media can provide a space for civic discourse. While its effectiveness as a counter-hegemonic force is reduced by its institutionalised features and dependency upon official censorship, the mass media equip citizens with a proliferation of information channels to new platforms of communication, along with the class differentiation of society (Sun, 2002:59-68; Zhang, 2002:48-58). It implies that people can choose their sources of information and recognise different modes of address or different 'public spheres'.

In short, this study has emphasized the importance of qualitative research, and for further study, quantitative research may be employed instead. Such quantitative research can be designed in different ways, with a reasonable number of selected audiences, TNMCs, and Chinese media practitioners. In particular, an audience survey, an optimum

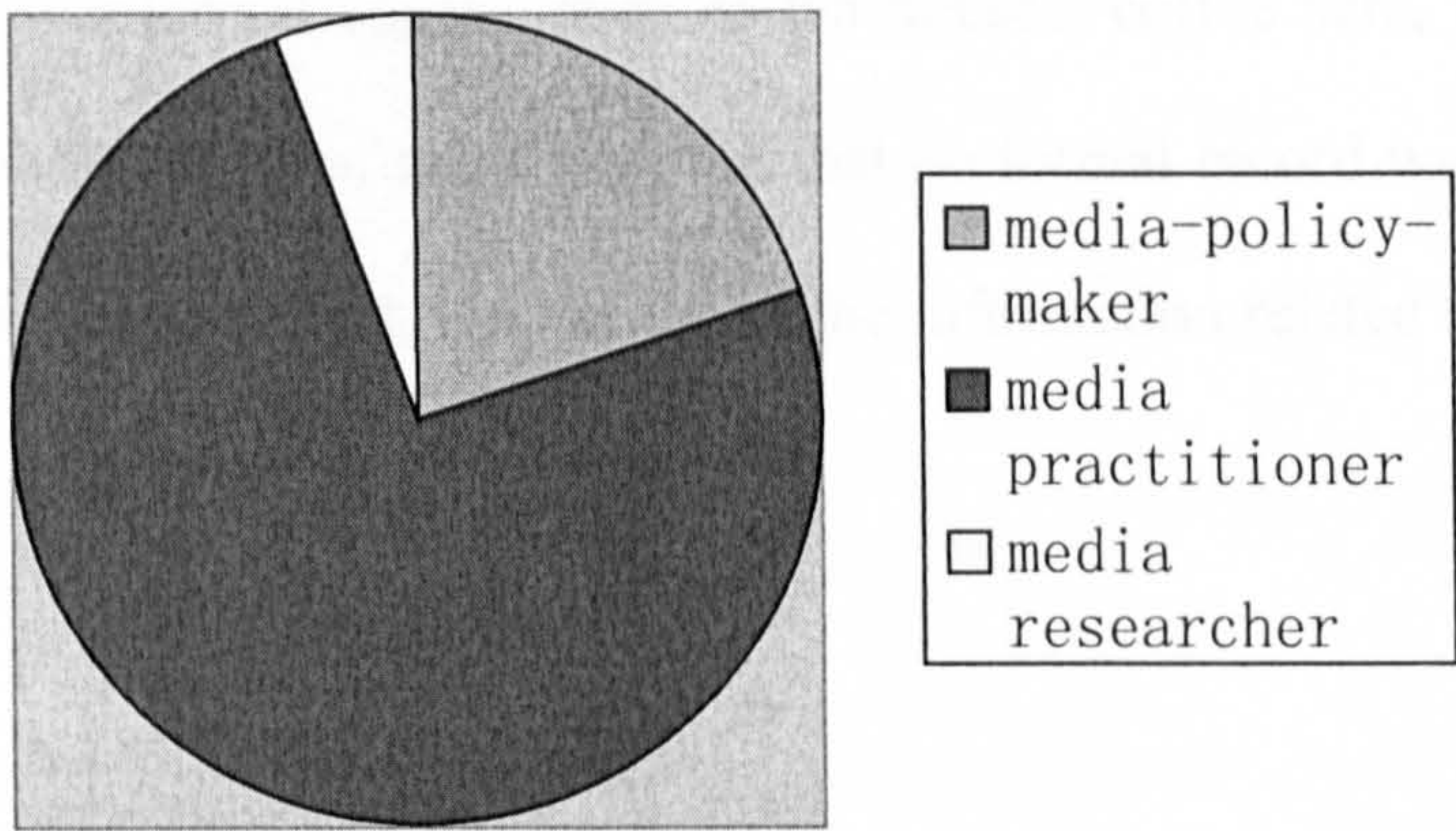
means by which Chinese audiences' influence by TNMCs, may be measured; and the survey for media regulators can explore the degree to which the Chinese media authorities redesigned media governance when the global forces have become more powerful.



**Appendix 1    ABOUT THE INTERVIEWEES**

In this study, 50 in-depth interviews have been conducted to examine central issues in Chinese media governance. The interviewees cover a range of different experiences related to the media sphere in China.

Three kinds of interviewees were selected. As Figure 1 demonstrates, these interviewees include media-policy-makers (11), communication-industry representatives (41) and media researchers (3).



**Figure 1    Components of Interviewees**

The interviewees of media-policy-makers include some at the national level (9) and some at the provincial level (2). Questions to them were mainly related to the process of media-policy-making in China, the regulatory changes since 1990s, and the regulatory responses to TNMCs. The overwhelming majority of interviewees from media practitioners are Chinese domestic media (37), whilst 4 came from TNMCs. For those from TNMCs, the enquiries focused on the presence of TNMCs in China, negotiations



with Chinese media regulators, and their strategies in the Chinese market. For the Chinese media, the enquiries were related to the transformation of media operations, management and culture when they faced competition from the TNMCs. The third category of interviewee, media researchers, can be divided into two groups: those who act as researchers in media institutions (2), and those who work in academic institutions (1). One of the purposes in selecting them was to enquire into the process of media-policy-making, another was to assess the extent to which the regulators take into account the influence of globalization and the TNMCs on Chinese media governance.

Considering the sensitivity of the topic in China, most of the interviews were carried out in informal spaces, such as tea houses, coffee bars, restaurants, hotels, and even their home. Most of them required that no formal record was kept. Therefore, after the interview was finished, I wrote down the information related to this theme as soon as possible.

## **Appendix 2 LEGISLATION ON MASS MEDIA IN THE PRC (1992-2004)**

### **Television**

1. Regulations for the Administration of Radio and Television (1997)
2. Notice of Establishing Children's Channel (2004)
3. Measures for the Administration of landing foreign satellite television
4. Measures for the Administration of the Examination and Approval of the Establishment of Radio and Television Stations (1996)
5. Rules for the Administration of Cable Television (1994)
6. Rules for the Administration of Television Dramas (2000)
7. Provisional Rules for Censorship of Television Dramas (1999)
8. Notice Regarding the Examination and Issuance of Operating Permits for Radio and Television Program Production and the Television Drama Production Permit (1998)
9. Rules for the Administration of the Television Drama Production Permit (1995)
10. Provisional Rules for the Administration of Film and Television Production and Operation Entities (1995)
11. Rules for the Administration of the Sino-Foreign Cooperative Production of Television Dramas (Video Recordings) (1995)
12. Notice on Further Strengthening and Improving the Administration of the Import and Broadcast of Foreign Films and Television Dramas (1995)
13. Rules for the Administration of the Import and Broadcast of Foreign Television Programs (1994)
14. Provisional Rules for the Administration of Television Programs from Cable Television Stations and Sub-Stations (1992)
15. Standards of the Ministry of Radio, Film and Television for the Censorship of Imported Foreign Television Dramas (1990)



## **Station and Broadcasting Administration**

1. Measures for the Administration of the Security of Cable Radio and Television Transmission Coverage Networks (2002)
2. Provisional Rules for the Administration of the Lease and Purchase of Channels and Establishment of Stations Abroad (2002)
3. Provisional Measures for the Administration of the Examination and Approval of the Landing of Foreign Satellite Television Channels (2001)
4. Provisional Measures for the Administration of Urban Community Cable Television Systems (2001)
5. Provisional Measures for the Administration of Guest House and Hotel Video-on-Demand Services (2001)
6. Provisional Measures for the Administration of Cable Television Video-on-Demand Services (2001)
7. Provisional Measures for the Administration of Governmental Purchase (2001)
8. Provisional Measures for the Supervision and Administration of the Transmission of Radio, Film and Television Programs via Information Networks (2000)
9. Provisional Measures for the Examination, Approval and Administration of the Operation of Radio and Television Program Transmission Services (1999)
10. Measures for the Administration of the Transmission of Radio and Television Programs via Satellites (1997)
11. Notice on Issues Regarding Administration of the Reception of Foreign Satellite Television Programs (1995)
12. Detailed Implementing Rules for the Rules for the Administration of Ground-Based Reception Equipment for Satellite Television Broadcasts (1994)
13. Rules for the Administration of Ground-Based Reception Equipment for Satellite Television Broadcasts (1993)
14. Notice on Certain Issues Regarding the Implementation of the Measures for

the Administration of the Reception by Ground-Based Satellite Reception Equipment of Television Programs Transmitted by Foreign Satellites (1990)

15. Measures for the Administration of the Reception by Ground-Based Satellite Reception Equipment of Television Programs Transmitted by Foreign Satellites (1990)

## **Film**

1. Provisional Measures for Enhancing the Development of Film Industry (2004)
2. Measures for the Administration of Foreign Investment in Cinema (2003)
3. Measures for the Administration of Sino-foreign Film Co-production (2003)
4. Measures for the Administration of Film Production, Distribution, and Exhibition (2003)
5. Provisional Measures for the Administration of Special Films (2002)
6. Technical Specifications for Digital Films (Provisional) (2002)
7. Provisional Rules for the Administration of Digital Films (2002)
8. Regulations for the Administration of Films (2001)
9. Detailed Implementing Rules for the Approval System for "Film Production Permit (Single Film)" Qualification (Trial) (2001)
10. Rules for Administration of the Hiring of Foreign Key Creative Personnel to Participate in Domestic Film Production (2001)
11. Provisional Rules for Foreign-Invested Cinemas (2000)
12. Rules for the Censorship of Films (1997)
13. Rules for the Administration of Sino-Foreign Cooperative Film Production (1994)

## **Audiovisual Products**

1. Measures for the Administration of Broadcasting Equipments and Connections (2003)
2. Measures for the Administration of the Import of Audiovisual Products (2002)

3. Measures for the Administration of Wholesale, Retail and Rental of Audiovisual Products (2002)
4. Regulations for the Administration of Audiovisual Products (2001)
5. Measures for the Administration of Sino-Foreign Cooperative Audiovisual Product Distribution Enterprises (2001)
6. Detailed Implementing Rules for Use of Barcodes for Audiovisual Products (2000)
7. Provisional Measures for the Administration of Audio-visual Product Organization (1995)

### **Publishing and Printing**

1. Measures for the Administration of Foreign-Invested Enterprises Engaging in the Distribution of Books, Newspapers and Periodicals (2003)
2. Provisional Rules for the Administration of Online Publishing (2002)
3. Provisional Rules for the Establishment of Foreign-Invested Printing Enterprises (2002)
4. Regulations for the Administration of Publishing (2001)
5. Regulations for the Administration of the Printing Industry (2001)
6. Decree of Furthering Reforms in News, Publication, Broadcasting, and Audio-video Industry (2001)
7. Measures for the Administration of Publication Barcodes (2000)
8. Notice on Adjusting Structure of Newspapers and Periodicals (1999)
9. Provisional Rules of *Neibu* Publication (1997)
10. Notice on Adjusting Newspaper Industry (1997)
11. Regulations for the Administration of Publications (1997)
12. Rules for the Administration of Electronic Publications (1997)
13. Notice on Strengthening the Administration of News, Publication, Broadcast and Television (1996)



14. Provisional Rules for Improving Policies of Cultural Economic (1996)
15. Provisional Rules for Presidency and Editorship of Newspapers and Periodicals (1995)
16. Provisional Rules for Newspaper Management (1995,)
17. Regulations for Advertising in PRC (1995)
18. Notice on Supporting Cultural Enterprises by the State Administration of Tax (1993)
19. Notice on Supporting Cultural Enterprises by the Ministry of Finance (1993)
20. Provisional Rules for Deducing Tax on Cultural Enterprises by the Ministry of Finance and the State Administration of Tax (1994)
21. Measures on Annual-Listed-System of Newspapers (1994)
22. Measures on Training System of Publication, Newspapers, Periodicals and Elect-Publication (1994)
23. Notice on Issues of Newspaper Group (1994)
24. Notice on Establishment of Newspaper, Periodical and Publication Groups (1994)
25. Notice on Containing Foreign-joint Venture of Newspapers, Periodicals and Publications (1994)
26. Provisional Rules for Sponsorship and Management of Publication Units (1993)
27. Notice on Strengthening Journalist Moral Education and Containing 'Payment News' by the CPD and SAPP (1993)
28. Secrecy Rules in Respect of News Publishing (1992)
29. Provisional Rules for the Administration of Periodicals (1988)

## **Intellectual Property**

1. Interpretation of the Supreme People's Court on Several Issues Regarding the Applicable Laws for the Hearing of Civil Trademark Dispute Cases (2002)
2. Interpretation of the Supreme People's Court on Several Issues Regarding the

Applicable Laws for the Hearing of Civil Copyright Dispute Cases (2002)

3. Implementing Rules for the Trademark Law of the People's Republic of China (Revised 2002)
4. Trademark Law of the People's Republic of China (2nd Revised 2002)
5. Regulations for the Implementation of the Copyright Law of the People's Republic of China (2002)
6. Copyright Law of the People's Republic of China (Revised 2001)

## **Advertising**

1. Reply Regarding Relevant Issues Concerning the Establishment of Advertising Companies by News Entities (1999)
2. Urgent Notice Regarding the Strict Prohibition on Randomly Inserting and Excessively Broadcasting Television Advertisements (1999)
3. Notice on Strengthening the Administration of Direct Television Sales Advertising (1998)
4. Notice on Issues Relating to the Establishment of Branches of Foreign-Invested Advertising Enterprises (1995)
5. Notice Regarding Relevant Issues Relating to the Implementation of the Certain Rules for the Establishment of Foreign-Invested Advertising Enterprises (1995)
6. Certain Rules for the Establishment of Foreign-Invested Advertising Enterprises (1994)
7. Advertising Law of the People's Republic of China (Excerpts) (1994)
8. Detailed Implementing Rules for the Regulations on the Administration of Advertising (1988)
9. Regulations for the Administration of Advertising (1987)

## **Internet and Telecommunications**

1. Measures for the Administration of Audi-visual Programme Disseminating in the Internet (2003)
2. Measures for the Administration to Stat. Tel-communication Product (2003)
3. Decision by the NCP on maintaining Internet Security (2000)
4. Regulations for the Administration of Security of Computer Information (1994).



**PAGE  
NUMBERING  
AS ORIGINAL**

## BIBLIOGRAPHY

- Abbott, Keneth W., Keohane, Robert O., Moravcsik, Andrew, Slaughter, Anne-Marie and Snidal, Duncan (2000), 'The Concept of Legalization', *International Organization*, 54 (3), pp.401-419.
- Abbott, Jason P. (2001), 'Democracy@internet.asia? The Challenges to the Emancipatory Potential of the Net: Lessons from China and Malaysia', *Third World Quarterly*, 22 (1), pp.99-114.
- Alexander, Alison, Owers, James and Carveth, Rod (eds.) (1998), *Media Economics, Theory and Practice* (Second Edition), Mahwah, NJ: Lawrence Erlbaum Associates.
- Amin, Samir (1990), *Delinking: Towards a Polycentric World*, London: Zed Press.
- Amin, Samir (1997), 'Reflections on the International System', in Peter Golding and Phil Harris (eds.), *Beyond Culture Imperialism, Globalization, Communication & the New International Order*, London: SAGE.
- Amunugama, Sarath, Rahman, Abdul and Said, B. Mohd (eds.) (1992), *Communications Research in Asia*, London: SOAS.
- Atkins, William (2003), 'Brand Power and State Power: Rise of the New Media Networks in East Asia', *The Pacific Review*, Vol.16 No.4, pp. 465-487.
- Anke, Redl, and Rowan, Simons (2002), 'Chinese Media –One Channel, Two Systems', in Stephanie Hemelryk Donald, Michael Keane, Yin Hong (eds.) *Media in China, Consumption, Content and Crisis*, NY: RoutledgeCurzon.
- Barker, Chris (1997), *Global Television*, Oxford and Malden, MA: Basil Blackwell.
- Bagdikian, Ben H. (1983/1992), *Media Monopoly*, Beacon Press.
- Barker, C. Edwin (2002), *Media, Markets, and Democracy*, Cambridge: Cambridge University Press.
- Barme, Geremie R. (1999), *In the Red, On Contemporary Chinese Culture*, New York: Columbia University Press.
- Baranovitch, Nimrod (2003), *China's New Voices, Popular Music, Ethnicity, Gender and Politics, 1978-1997*, Los Angeles and London: University of California Press.

- Beijing Entertainment Paper* (2004), 'San minying meiti jutou hebing' (Three Private Media Giants Merged), *Beijing Entertainment Paper*, May 17, 2004, p.2.
- Bens, Els de, Kelly, Mary and Bakke, Marit (1992), 'Television Content: Dallasification of Culture?', in Karen Suine *et al.*(ed.), *Dynamics of Media Politics*, London: Sage. pp.75-100.
- Bennett, W. Lance (1998), 'The Media and Democratic Development', in O'Neil, Patrick H.(ed.) *Communicating Democracy, the Media & Political Transitions*, Boulder and London: Lynne Rienner, pp.195-207.
- Bilshop, Robert L. (1989), *Qi lai! Mobilizing One Billion Chinese: The Chinese Communication System*, Ames: Iowa State University Press.
- Blumer, Jay (1991), 'Television in the United States: Funding Sources and Programming Consequences', in Jay Blumler and TJ Nossiter (eds.) *Broadcasting Finance in Transition*, Oxford: Oxford University Press.
- Bo, Mei (2005), 'WTO beijingxia zhongguo tushu faxing tixi gaige' (The Reforms of China's Publication Sector under WTO), *Xinwenjie (Media Cycle)*, 2005(1), pp.18-19.
- Boyd-Barrett, O. (1977), 'Media Imperialism: towards an International Framework for the Analysis of Media System', in Curran, J., Gurevitch, M. and Woollacott, J. (eds.) *Mass Communication and Society*, London: Edward Arnold.
- Boyd-Barrett, O. and Rantane, Terhi (eds.) (1998), *The Globalization of News*, London: SAGE Publications.
- Breslin, Shaun (1999), 'Centre and Province in China', in Robert Benewick and Paul Wingrove (eds.) *China in the 1990s*, London: Macmillan.
- Brewerton, Paul and Millward, Lynne (2001), *Organizational Research Methods*, London: SAGE.
- Brodsgaard, Kjeld Erik (2003), 'Institutional Reform and the Bianzhi System in China', *The China Quarterly*, 2003, pp.361-386.
- Brzezinski, Zbigniew (1998), 'Disruption without Disintegration', *Journal of Democracy* Vol.9.1.
- Buckley, Peter J., and Casson, Mark (1991), *The Future of the Multinational Enterprise* (second edition), Hampshire: Macmillan.



Burgelman, Jean-Claude (1997), 'Issues and Assumptions in Communications policy and Research in Western Europe: a Critical Analysis', in John Corner, Philip Schlesinger and Roger Silverstone (eds.) *International Media Research*, London and NY: Routledge. 123-153.

Burgh, Hugo De (2003), *The Chinese Journalist*, London: RoutledgeCurzon.

----- (2003), 'King without Crown? The Re-emergence of Investigative Journalism in China', *Media, Culture & Society*. Vol. 25, pp.801-820.

Cai, Wen (2003), 'Xinwen ziyuan de shengdu kaifa yu youhua peizhi' (The Improving Reallocation of Media Resource in Global Competition), at <[http://academic.mediachina.net/lw\\_view.jsp?id=623](http://academic.mediachina.net/lw_view.jsp?id=623)>, accessed on January 17 2003.

Cardona, E. De (1976), 'Multinational Television: Form of Cultural Dependency', *Journal of Communication*, Spring, 1976, pp.122-127.

Cardona, H. and Faletto, E (1979), *Dependency and Development in Latin America*, Berkeley: University of California Press.

Chadha, Kalyani and Kavoori, Anandam(2002), 'Media Imperialism Revisited: some Findings from the Asian Case', *Media, Culture & Society*, Vol.22:4(2002), pp.415-432.

Chao, Peng (1999), *Zhongguo baoye jituan yanjiu (The Study of China's Press Group)*, Beijing: Xinhua Press.

Chan, Alex (2002), 'From Propaganda to Hegemony: Jiaodian Fangtan and China's Media Policy', *Journal of Contemporary China*, Vol. 11, No. 30 (2002), pp. 47-48.

Chan, Wentao (2002), 'Quanqiu hua he zhongguo meiti kaifang' (Globalization and Media Openness in China), in Yin Hong (eds.) *Dazhongmeiti: Chongtu jiyue he hudong (Mass media, Clash, Convergence, and Interaction)*, Beijing: Qinghua University Press.

Chan, Joseph Man (1994a), 'Media Internationalization in China: Process and Tensions', *Journal of Communication*, Vol.44 (3), 1994, pp.72-80.

----- (1994b), 'National Responses and Accessibility to STAR TV in Asia', *Journal of Communication*, Vol. 44 (3), 1994, pp.112-130.

----- (1997), 'An Alternative View', *Journal of Democracy*, 8.2 (1997), pp.35-48.

----- (2000), 'When Capitalist and Socialist Television Clash: the Impact of Hong Kong Television on Guangzhou Residents', in Chin-Chuan Lee (ed.) *Power, Money and Media*, Northwestern University Press. pp.245-270.

----- (2002), 'Media, Democracy and Globalization: A Comparative Perspective', *Media Development*, 2002(1), at <[www.wacc.org.uk/publication/md/md2002-1/chan.html](http://www.wacc.org.uk/publication/md/md2002-1/chan.html)>, accessed on July 2, 2004.

Chan, Joseph Man and Qiu, Jack Linchuan (2002), 'China: Media Liberalization under Authoritarianism', in Price, M. E., Rozumilowicz, B. and Verhulst (eds.) *Media Reform*, London and New York: SAGE. pp.27-45.

Chang, Won Ho (1989), *Mass Media in China, the History and the Future*, Ames: Iowa State University Press.

Chang, Tsan-Kuo, Wang, Jian and Chen, Chih-Hsien (1994), 'News as Social Knowledge in China: The Changing Worldview of Chinese National Media', *Journal of Communication*, 44:3 (1994), pp.52-69.

Chen, An (1999), *Restructuring Political Power in China, Alliances & Opposition, 1978-1998*, Boulder and London: Lynne Rienner Publishers.

Chen, Jie and Zhong, Yang (1999), 'Mass Political Interest (or apathy) in Urban China', *Communist and Post-Communist Studies*, 32 (1999), pp. 281-303.

Chen, Shue Yun (1998), 'State, Media and Democracy in Taiwan', *Media, Culture & Society*, vol.20 (1998), pp.11-29.

Chen, Yizi (1998), 'The Road from Socialism', *Journal of Democracy*, Vol.9.1 (1998), pp.6-10.

Chen, Hongtai (2002), *Dangdai zhongguo zhengfu tixi yu zhengzhi yanjiufa (The Modern Chinese Government System and the Research Methodology)*, Beijing: Economic Daily Press.

*China Daily* (Dec. 7, 2001), 'State Media Group Launched', *China Daily*, Dec. 7, 2001, at <<http://www.china.org.cn/english/2001/Dec/23227.htm>>, accessed on June 22, 2004.

*China Daily* (April 15, 2002), 'Asian Media Advised to Seek Much Larger Role', at <<http://www.china.org.cn/english/2002/Apr/30731.htm>>, accessed on Feb.3 2004.

*China Daily* (April 1, 2003), 'Media Coverage Sees Change', *China Daily*, April 1,



2003, p.1.

*China Daily* (August 5, 2003), 'State Press Faces Shake-up', *China Daily*, August 5, 2003, p.4.

Chu, Lenonard L.(1994), 'Continuity and Change in China's Media Reform', *Journal of Communication*, 44:3(1994), pp.4-21.

Chu, Godwin C. and Ju, Yanan (1993), *The Great Wall in Ruins, Communication and Cultural change in China*, Albanny: State University of New York Press.

Chui Li (2003), 'Zhongguo dianying zhidu gaige'(The Reform of Chinese Film System), *Xinwen zhoukan (News Weekly)*, Dec. 15 2003, pp.70-72.

Chu, Yingchi (2002), 'The Consumption of Cinema in Contemporary China', in Donald, S.H, Keane, M. and Yin, H.(eds.) *Media in China, Consumption, Content and Crisis*, NY: RoutledgeCurzon.pp.43-54.

Clemens, Walter C. Jr. (1999), 'China: Alternative Futures', *Communist and Post-Communist Studies*, 32 (1999), pp.67-78.

Coase, R.H (1937), 'The Nature of the Firm', *Economica*, November, 1937, pp.386-405.

Collins, Richard (ed.) (1996), *Converging Media? Converging Regulation?* , London: Emphasis.

Cook, Timothy E. (1998), *Governing the News, the News Media as a Political Institution*, Chigago and London: The University of Chicago Press.

Comor, Edward A (ed.) (1994), *The Global Political Economy of Communication, Hegemony, Telecommunication and the Information Economy*, Hampshire and London: Macmillan Press.

Comor, Edward A (1998), *Communication, Commerce, and Power*, New York: St. Martin's Press.

Compaine, Benjamin (2002), 'Global Media', *Foreign Policy*, at <[http://www.foreignpolicy.com/issue\\_novdec\\_2002/globalmedia.html](http://www.foreignpolicy.com/issue_novdec_2002/globalmedia.html)>, accessed on June 6, 2003.

Cox, Robert W. (1987), *Production, Power, and World Order, Social Forces in the Making of History*, New York: Columbia University Press.



- CNNIC (1999-2004), *Zhongguo Hulianwang Baogao (Chinese Internet Year-Report)*, various years, published by CNNIC
- Croteau, David and Hoynes, William (2001), *The Business of Media, Corporate Media and the Public Interest*, Thousand Oaks and London: Pine Forge Press.
- Cullen, Richard and Fu, Hua Ling (1998), 'Seeking Theory from Experience: Media Regulation in China', *Democratization and the Media*, 1998, pp155-178.
- Curran, James and Seaton, Jean (1997), *Power without Responsibility*, London and New York: Routledge.
- Curran, James (1997), 'Capitalism and Control of the Press, 1800-1975', in Golding D. and Murdock G (eds.) *The Political Economy of the Media*, Cheltenham: Edward Elfar Publishing Company.
- Dai, Yuanguang (2003), 'Jiaru WTO hou zhongguo meiti mianlin wuda wenti ((Five issues China's media front after WTO)', *Xinwen yu Chuanbo (Journal of News and Communication)*, Vol. (2) 2003, pp.21-25.
- Demers, David (2001), *Global Media, Menace or Messiah?*, Cresskill: Hampton Press.
- Deng, Xiaoping (1990), *Deng Xiaoping tongzhi lun minzhu yu fazhi (The Concept of Democracy and Rule of Law by Deng Xiaoping)*, Beijing: The Law Press.
- Deng, Xiaoping (1994), *Deng Xiaoping wenxuan (Selected Writings by Deng Xiaoping)*, Beijing: the People's Press.
- Denscombe, Martyn (1998), *The Good Research Guide for Small-scale Social Research Projects*, Buckingham and Philadelphia: Open University Press.
- Department of Journalism in Fudan University (1987), *Zhongguo xinwenshi wenji (Selected Writings on the History of China's Journalism)*, Shanghai: Fudan University Press.
- Dickie, Mure and Guerrera, Francesco (2004), 'China to Privatise Broadcasting Units', *Financial Times*, Feb.9, 2004, p.22.
- Dickson, Bruce J. (2003), 'Threats to Party Supremacy', *Journal of Democracy*, vol.14.1 (2003), pp.27-35.
- Ding, Guangen (2001), 'Renzhen xuexi xuanchuan guance shiwujie jiu zhong quanhui jingshen' (Study, Propagate and Exercise the Spirit of 4th session of 15<sup>th</sup>

Committee Conference), *Qiushi*, 2001 (21), pp.3-5.

Ding, Guangen (2002), 'Anzhao "sangedaibiao" yaoqiu, fanrong fazhan shehuizhuyi yishu' (Boom and Develop the Socialist Art according to 'Three Representatives'), *Wenhuashichuang*, 2002(3), pp.4-7.

Dirlik, Arif (2001), 'Markets, Culture, Power: The Making of a "Second Cultural Revolution" in China', *Asian Studies Review*, vol.25 (1), March 2001, pp.1-33.

Domke, D.W., Mark D. S., Dhavan V. and Fan, D.P. (1999), 'The Politics of Conservative Elites and the "Liberal Media" Argument', *Journal of Communication*, Autumn 1999, pp.35-57.

Donald, Stephanie Hemelryk and Keane, Michael (2002), 'Media in China: New Convergences, New Approaches', in Stephanie Hemelryk Donald, Michael Keane, Yin Hong (eds.), *Media in China, Consumption, Content and Crisis*, New York: RoutledgeCurzon.

Downing, John D.H. (1997), *Internationalizing Media Theory, Transition, Power, Culture*, London and Thousand Oaks: SAGE.

Doyle, Gillian (2002a), *Understanding Media Economics*, London, SAGE.

Doyle, Gillian (2002b), *Media Ownership, The economics and politics of convergence and concentration in the UK and European media*, London: SAGE.

Dreyer, June Teufel (1996), *Chinese Political System: Modernization and Tradition (2<sup>nd</sup> edition)*, Hampshire and London: Macmillan Press.

Dyson, Kenneth and Humphreys, Peter (1988), 'The Context of New Media Politics in Western Europe', in Kenneth Dyson, Peter Humphreys (eds.) *Broadcasting and New Media Politics in Western Europe*, London: Routledge.

Emmerson, Donald K. (1995), 'Singapore and the "Asian Values" Debate', *Journal of Democracy*, vol. 6.4 (1995), pp.95-105.

Entman, Robert M. and Wildman, Steven S. (1992), 'Reconciling Economic and Non-economic Perspectives on Media Policy: Transcending the "Marketplace of Ideas"', *Journal of Communication* 42(1), Winter, 1992, pp.5-19.

Esser, Frank (1999), 'Tabloidization of News, a Comparative Analysis of Anglo-American and German Press Journalism', *European Journal of Communication*, 1999, vol. 14(3), pp. 291-324.



- Fang, Jue (1998), 'A Program for Democratic Reform', *Journal of Democracy*, 9.4 (1998), pp.9-19.
- Fang, Hanji (1992), *Zhongguo xinwen tongshi (The History of China's News Media)*, Beijing: Zhongguo renmin daxue chubanse [People's University Press].
- (2000), *Zhongguo xinwen shiye biannianshi (The Historical Events of China's News Media)*, Fuzhou: Fujian renmin chubanshe [Fujian People's Press].
- (ed.) (2003), *Xinwen chungui: zhongguo xinwen gaige xueshu yantaohui (The Reform of Journalism)*, Chengdu: Sichuan daxue chubanshe [Sichuan University Press].
- Feintuck, Mike (1999), *Media Regulation, Public Interest, and the Law*, Edinburgh: Edinburgh University Press.
- Ferdinand, Peter (1991), *Communist Regimes in Comparative Perspective*, Hemel Hempstead: Harvester Wheatsheaf.
- Ferdinand, Peter (2000) 'The Internet, Democracy and Democratization', in Peter Ferdinand (ed.) *The Internet, Democracy and Democratization*, London: Frank CASS. pp.1-17.
- Fewsmith, Joseph (2001), 'The Political and Social Implications of China's Accession to the WTO', *The China Quarterly*, 2001, pp.573-593.
- Flournoy, Don M. and Stewart, Robert K. (1997), *CNN, Making News in Global Market*, Luton: University of Luton Press.
- Finkel, Steven E. (2003), 'Can Democracy be Taught?', *Journal of Democracy*, Vol.4 (4), Oct. 2003, pp.137-151.
- Forrester, Chris (2000), *The Business of Digital Television*, Oxford: Focal Press
- French, David and Richards, Michael (1996), 'Open markets and the future of television—fiction and fact: GATT, GATS and the World Trade Organization', in David French and Michael Richards (eds.) *Contemporary Television, Eastern Perspectives*, London: SAGE.
- Fu, H.L. and Cullen, Richard (1996), *Media Law in the PRC*, HK: Asia Law & Practice.
- Fukuyama, Francis (1995), 'Confucianism and Democracy', *Journal of Democracy*, vol. 6.2 (1995), pp.20-33.



- Fukuyama, Francis (2004), 'The Imperative of State-Building', *Journal of Democracy*, vol. 15.2 (2004), pp.17-31.
- Gallagher, Mary E. (2002), 'Reform and Openness, Why China's Economic Reforms Have Delayed Democracy', *World Politics*, 54.3 (2002), pp.338-372.
- Gan, Xifen (1988), *Xinwen lunzhan sanshi nian (The Thirty Years' Debates on Journalism)*, Beijing: Xinhua Press.
- Gan, Xifen (1994), 'Debates Contribute to the Development of the Journalistic Science', *Journal of Communication* 44 (3), Summer, pp.38-51.
- Gao, Ming and Lyytine, Kalle (2000), 'Transformation of China's Telecommunication Sector: a Macro Perspective', *Telecommunication Policy*, 24(2000), pp.719-730.
- Garrett, Banning (2001), 'China Faces, Debates, the Contradictions of Globalization', *Asian Survey*, 41:3, pp.409-427.
- Gershon, Richard A. (1997), *The Transnational Media Corporation, Global Messages and Free market Competition*, Mahwah: Lawrence Erlbaum Associates.
- Giddens, Anthony (1990), *The Consequences of Modernity*, Stanford: Stanford University Press.
- Gilley, Bruce (2003), 'The Limits of Authoritarian Resilience', *Journal of Democracy*, Vol. 14.1, January 2003, pp18-26.
- Ginneken, Jaap van (1998), *Understanding Global News*, London: SAGE.
- Gold, Thomas B.(1993), 'Go With Your Feelings: Hong Kong and Taiwan Popular Culture in Greater China', *The China Quarterly*, 1993, vol. 136. pp.907-925.
- Golding, Peter (1997), 'Political Communication and Citizenship: the Media and Democracy in an Inegalitarian Social Order', in Golding, P. and Murdoch G (eds.) *The Political Economy of the Media* (II), Cheltenham: Edward Elgar.
- Goldman, Merle (1994), *Sowing the Seeds of Democracy in China*, Cambridge: Harvard University Press.
- Good, Leslie T.(1997), 'Power, Hegemony, and Communication Theory', in Golding, P. and Murdock, G(eds.)*The Political Economy of the Media*, Cheltenham: Edward Elgar.

Gong Dewang (2004), 'Changzhiribao de xinwen yulunjiandu' (Public Scrutiny of Changzhi Daily), in Zhang, Jian (ed.) *Yulun zipishu (Public Scrutiny)*, Guangzhou: Southern Daily Press.

Gough, Neil (2004), 'New Journalism', *Time*, at [http://www.time.com/time/asia/features/china\\_cul\\_rev/journalists.html](http://www.time.com/time/asia/features/china_cul_rev/journalists.html), accessed on March 14, 2004.

Gramsci, Antonio (1971), *Selections from the prison notebooks of Antonio Gramsci*, Quintin H. and Geoffrey N. S. (eds.), London: Lawrence & Wishart.

Granham, Nicholas (1990), *Capitalism and Communication, Global culture and the economics of information*, London: SAGE.

Greco, Albert N.(ed.)(2000), *The Media and Entertainment Industries*, Boston and London: Allyn and Bacon

Green, Andrew (1994), 'Asian Television: Massive Gross But Uncertain Opportunity', *Screen Digest*, April, 1994.

Gross, Peter (2002), *Entangled Evolutions, Media and Democratization in Eastern Europe*, Baltimore and London: The Johns Hopkins University Press.

Gu, Edward X. (1997), 'Elitist Democracy and China's Democratization: A Gradualist Approach Towards Democratic Transition by a Group of Chinese Intellectuals', *Democratization*, Vol. 4(2), Summer 1997, pp.84-112.

Guo, Chaoren (1997), *Houshe lun (Theory of Mouth and Tone)*, Beijing: Xinhua Press.

Harding, Harry (1998), 'The Halting Advance of Pluralism', *Journal of Democracy*, vol.9.1 (1998), pp11-17.

Haggard, Stephan and Kaufman, Robert (1993), 'The Challenges of Consolidation', in Diamond and Lattner (eds.) *Economic Reform and Democracy*, Baltimore and London: The Johns Hopkins University Press.

Hallin, Daniel C. (1994), *We Keep America on Top of the World--- Television Journalism and the Public Sphere*, London and New York: Routledge.

Hamrin, Carol Lee and Zhao, Suisheng (eds.) (1995), *Decision-making in Deng's China, Perspectives from Insiders*, New York and London: M.E. Sharp.

Hancher, L. and Moran, M. (1998), 'Organizing Regulatory Space', in Robert



- Baldwin, Colin Scott, Christopher Hood (eds.) *A Reader on Regulation*, New York: Oxford University Press, pp.148-171.
- He, Baogang (1997), *The Democratic Implications of Civil Society in China*, New York: St. Martin's Press.
- He, Qinglian (1998), *Xiandaihua xianjing, dangdai zhongguo de jingji shehui wenti*, Beijing: Jinri Zhongguo Chubanshe (*The Trap of Modernization, The Economic and Social Issues in the Contemporary China*), Beijing: Today's China Press.
- He, Zhou, and Zhu, Jianhua (2002), 'The Ecology of Online Newspaper: the case of China', *Media, Culture & Society*, 2002 (24), pp.121-137.
- Heiko, de, B. Wijnholds (2002), 'Transition of the Role and Structure of Mass Media in China and Some Implications for Advertising Strategy', *Managerial Finance*, Vol. 26(4), pp28-38.
- Herbert, John (2001), *Practicing Global Journalism: Exploring Reporting Issues Worldwide*, Focal Press.
- Herman, Edward S, and McChesney, Robert W. (1997), *The Global Media: The New Missionaries of Corporate Capitalism*, London: Cassell.
- Hesmondhalgh, David (2002), *The Cultural Industries*, London: SAGE.
- Hesse, K. R (1998) 'Cross Border Mass Communication from West to East German', *European Journal of Communication* (5), nos.2-3
- Hewitt, A. (2001), 'New rules for Chinese media', *BBC News*, August 9 2001, at <http://news.bbc.co.uk/hi/english/world/monitoring/media-reports/newsid-1482000/1482533.stm>, Assessed on 19/11/2001.
- Hoge, James (1994), 'Media Pervasiveness', *Foreign Affairs*, 73 (1994), pp.136-44.
- Holbig, Heike (2002), 'The evolution of China's political system: new rules for CCP rule?', in Robert Ash and Heike Holbig (eds.) *China's WTO Accession: National and International Perspectives*, London: RoutledgeCurzon Press.
- Howkins, John (1982), *Mass Communications in China*, New York and London: Longman.
- Hirst, Paul (2000), 'Democracy and Governance', in Jon Pierre (ed.) *Debating Governance: Authority, Steering, and Democracy*, New York: Oxford University Press.



Hirst, Paul Q. and Grahame Thompson (1996), *Globalization in Question: The International Economy and the Possibilities of Governance*, Cambridge: Polity press.

Hong, Liu (1998), 'Profit or Ideology? The Chinese Press between Party and Market', *Media, Culture & Society*, 1998, vol. 20, pp.31-41.

Hong, Juntao (1996), 'Television in great China', in Sinclair, J., E. Jacka and S. Cunningham (eds.) *New Patterns in Global Television : Peripheral Vision*, Oxford: Oxford University Press.

Hong, Juntao (1998), *The Internationalisation of Television in China*, London: Praeger.

Hong, Juntao (2002), 'The Role of Media in China's Democratisation', *Media Development*, 2002 (1).

Hoskins, Colin. Finn, Adam, and Mcfadyen, S. (1997), 'Television and Film in a Freer International Trade Environment: U.S. Dominance and Canadian Responses', in McAnany E. and Wilkinson K.(eds) *Mass Media and Free Trade, FAFTA and the Cultural Industries*, Austin: University of Texas Press.

Hsiao, Ching-chang and Cheek, Timothy (1995), 'Open and Closed Media: External and Internal Newspaper in the Propaganda System', in Carol Lee Hamrin and Suisheng Zhao (eds.) *Decision-making in Deng's China Perspectives from insiders*, New York and London: M.E. Sharp.

Howkins, John (1982), *Mass Communication in China*, New York and London: Longman.

Hu, Angang (ed.) (2002), *Quanqiuhua tiaozhan zhongguo (Globalization Challenging China)*, Beijing: Peking University Press.

Hu, Angang (2003), *Di'erci zhuanxing, Guojia zhidu jianshe (The Second Transition: Building up national institutions)*, Beijing, Qinghua University Press.

----- (2004), *Zhongguo xin fazhangguan (China: New Way of Development )*, Hangzhou: Zejiang People's Press.

Hu, Huilin (2003), 'Rushi hou zhongguo wenhua chanye fazhan de zeren' (The Accountability of China's Cultural Industries in the post-WTO era)', *Zhongguo wenhua chanye pinglun [Review on China's Cultural Industries]*, vol. 1, Shanghai: Shanghai People's Press, pp.21-39.

- (2004), *Wenhua chanye fazhang de zhongguo daolu (The Chinese Way of Developing Cultural Industries)*, Shanghai: Shanghai People's Press.
- Huang, Shengmin (1999), *Meiti jingying yu chanyehua yanjiu (Media Management and Industrialization)*, Beijing: Beijing Broadcasting Institute Press.
- Huang, Shengmin and Zhou, Yan (ed.) (2003), *Zhongguo meiti shichuang dabianju (A Big Transformation of China's Media Market)*, Beijing: Citic Press.
- Huang, Shengmin (2003), *Zhongguo chuanmei dabianju (The Great Change in China's Media)*, Beijing: Zhongxin Press.
- Huang, Yu (1998), 'Peaceful Evolution: the Case of Television Reform in Post-Mao China', *Media, Culture & Society*, 16, 217-41
- Huang, Yu and Lee, Chin-Chuan (2002), 'Peddling party ideology for a profit, Media and the rise of Chinese nationalism in the 1990s', in Gary D. Rawnsley and Ming Yeh T. Rawnsley (eds.) *Political Communications in Greater China*, London and New York: RoutledgeCurzon.
- Huang, Yu and Green Andrew (2000), 'From Mao to the Millennium: 40 years of Television in China', in David French and Michael Richards (eds.) *Television In Contemporary Asia*, London: SAGE.
- Huang, Yasheng (2003), *Selling China*, Cambridge: Cambridge University Press.
- Huang, Chengju, Lawe, Chris, and Knight, Alan (2002), 'Beyond Party Propaganda: A Case Study of China's Rising Commercialised Press', *ejournalis.au.com*, at<<http://www.ejournalism.au.com/ejournalist/propaganda.pdf>>, accessed on February 18,2004.
- Huai, Yan (1995), 'Organizational Hierarchy and the Cadre Management System', in Carol Lee Hamrin and Suisheng Zhao (eds.) *Decision-making in Deng's China Perspectives from insiders*, New York and London: M.E. Sharp.
- Hutchison, David (1999), *Media Policy*, Oxford: Blackwell.
- Hughes, Christopher (2002), 'China and Global Liberalism', in Eivind Hovdew and Edward Keene (eds.) *The Globalization of Liberalism*, New York: Palgrave.
- Humphreys, Peter (1996), *Mass Media and Media Policy in Western Europe*, Manchester: Manchester University Press.
- Hung, Chin-fu (2003), 'Public Discourse and "Virtual" Political Participation in the



PRC: the Impact of the Internet', *Issues & Studies*, Vol. 39 (4), Dec., 2003, pp.1-38.

Huntington, Samuel P. (1968), *Political Order in Changing Societies*, New Haven and London: Yale University Press.

Huntington, Samuel P. (1991), *The Third Wave*, Norman and London: University of Oklahoma Press.

Iyengar, Shanto and Reeves, Richard (eds.) (1997), *Do the Media Govern? Politicians, Voters, and Reporters in America*, California and London: SAGE.

Jenkins, Rhys (1987), *Transnational Corporations and Uneven Development, The Internationalisation of Capital and the Third World*, London and New York: Methuen

Jernwo, Allison and Thurston, Anne (1993), *Don't Force Us to Lie: The Struggle of Chinese Journalist in the Reform Era*, New York: Committee to Protect Journalists

Jernow, Allison. (1994), 'The Tight Leash Loosens', *Columbia Journalism Review*, January/February, 1994, at <<http://archives.cjr.org/year/94/1/china.asp>>, accessed on March 12, 2004.

Jiang, Zemin (2001), 'Zhaiqingzhu zhongguo gongchandang chengli bashi zhounian dahui shang de jianghua' (Speech on Conference of Celebrating CCP's 80 Years Foundation), *Qiushi*, 2001(13), pp.3-17.

Jiang, Zemin (2002), 'Jiang Zemin's Report at 16th Party Congress', *People's Daily*, at <<http://www.people.com.cn/GB/shizheng/16/20021117/868416.html>>, accessed on June 2, 2004.

Jiao, Guobiao (2004), 'Taofa zhongxuanbu [Crusade against the Central Propaganda Department]', at <<http://beijingspring.com/bj2/2004/280/2004424164220.htm>>, accessed on April 24, 2004.

Kahn, Joseph (2003), 'China Discovers Medical Secrecy is Expensive', *New York Time*, at [www.nytimes.com/2003/04/13/weekinreview/13KAHN.html](http://www.nytimes.com/2003/04/13/weekinreview/13KAHN.html), accessed on April 16, 2003.

Kalathil, Shanthi (2002), 'Chinese Media and the Information Revolution', *Harvard Asia Quarterly*, Winter 2002, at <[www.ceip.org/publications/kalathil-harvardasia.asp?from=pubdate](http://www.ceip.org/publications/kalathil-harvardasia.asp?from=pubdate)>, accessed on 11 July 2002.

Kamarck, Elaine Ciulla and Nye, Joseph S. (2002), *Governance.com: Democracy in*



*the Information Age*, Washington: Brookings Institution Press.

Kanusikan, Bilahari (1997), 'Governance that Works', *Journal of Democracy*, 8.2 (1997), pp.24-34.

Kasoma, Frands P. (1995), 'The Role of the Independent Media in Africa's Change of Democracy', *Media, Culture & Society*, Vol. 17, pp.537-555.

Keane, Michael (2001), 'Broadcasting Policy, Creative Compliance and the Myth of Civil Society in China', *Media, Culture & Society*, Vol. 23: 783-798

Keane, Michael and Donald, Stephanie Hemelryk (2002), 'Responses to Crisis, Convergence, Content Industries and Media Governance', in Stephanie Hemelryk Donald, Michael Keane and Yin Hong (eds.), *Media in China, Consumption, Content and Crisis*. London: RoutledgeCurzon. pp.200-211.

Keane, Michael (2003), 'Civil Society, Regulatory Space and Cultural Authority in China's Television Industry', in Philip Kitley (ed.) *Television Regulation and Civil Society in Asia*, London: RoutledgeCurzon.

Keller, Perry (2003), 'Privilege and Punishment: Press Governance in China', *Gradozo Arts and Entertainment Law Journal*, 2003, Vol.21 (1),pp.81-138.

Kenneth, De Woshin (2001), 'The WTO and the Telecommunications Sector in China', *The China Quarterly*, 2001, pp.630-654.

Kieran, Matthew (1998), 'Objectivity, Impartiality and Good Journalism', in Matthew Kieran (ed.), *Media Ethics*, London and New York: Routledge.

Keohane, O. Robert and Milner, V. Helen (eds.)(1996), *Internationalization and Domestic Politics*, Cambridge: Cambridge University Press.

Keohane, O. Robert and Nye, S. Joseph (2001), *Power and Interdependence (third edition)*, New York: Longman.

Kong, Qingjiang (2002), *China and the World Trade Organization, a Legal Perspective*, New Jersey: World Scientific.

Lam, Willy Wo-Lap (2000), 'China: State Power Versus the Internet', in Louise Williams & Roland Rich (eds.) *Losing Control: Freedom of the Press in Asia*, Australian National University: Asia Pacific Press.

Laothamatas, Anek (ed.) (1997), *Democratization in Southeast and East Asia*, Singapore: Institute of Southeast Studies.

Lang, Jingshuong (2003), *Zhongguo xinwen zhengce tixi yanjiu (The Research on China's News Policy System)*, Beijing: Xinhua Press.

Latham, Kevin (2000), 'Nothing but the Truth: News Media, Power and Hegemony in South China', *The China Quarterly*, vol. 163, pp. 633-654.

Latham, Kevin (2001), 'Between Markets and Mandarins: Journalists and the Rhetorics of transition in southern China', in Brian Moeran (ed.), *Asian Media Productions*, Surrey: Curzon Press.

Leahy, Joe and Dickie, Mure (2003), 'AOL looks to give up foothold in Chinese TV', *Financial Times*, May 26, 2003, p.18.

Lee, Chin-Chuan (ed.) (1990), *Voices of China: The Interplay of Politics and Journalism*, New York: The Guilford Press.

Lee, Chin-Chuan (ed.) (1994), *China Media, Media's China*, Boulder, CO: Westview.

Lee, Chin-Chuan (1998), 'Servants of the State or the Market? Media and Journalists in China', in Jeremy Tunstall (a reader), *Media Occupations and Professions*, Oxford: Oxford University Press, pp.240-252.

Lee, Chin-Chuan (2000a), 'Chinese communication: prisms, trajectories, and modes of understanding,' in Chin-Chuan Lee (ed.), *Power, Money, and Media, Communication Patterns and Bureaucratic Control in Cultural China*, Illinois: Northwestern University Press. pp.3-44.

----- (2000b), 'The Paradox of Political Economy: media structures, press freedom, and regime', in Chin-Chuan Lee (ed.), *Power, Money, and Media, Communication Patterns and Bureaucratic Control in Cultural China*, Illinois: Northwestern University Press. pp.288-336.

----- (2000c), 'China's Journalism: the emancipatory potential of social theory', *Journalism Studies*, 1(4): 559-576.

----- (2001), 'Rethinking Political Economy: Implications for Media and Democracy in Greater China', *Javnost-the Public*, 8(4), pp.81-102.

----- (2003), 'The Global and the National of the Chinese Media, Discourses, market, technology, and ideology', in Chin-Chuan Lee (ed.), *Chinese Media, Global Contexts*, London and New York: RoutledgeCurzon. pp.1-31.

- Lee, Paul Siu-nam (1994), 'Mass Communication and National Development in China: Media Roles Reconsidered', *Journal of Communication* 44 (3), Summer, 1994, pp.22-37.
- Lee, Kyung-Ja (2001), 'Globalization and Infocomm Industries in Asia', *Media Asia*, 2001(3), pp.123-134.
- Leighley, Jan E. (2004), *Mass Media and Politics, a Social Science Perspective*, New York: Houghton Mifflin.
- Lent, John A. (1977), *Third World Mass Media and Their Search for Modernity, The Case of Commonwealth Caribbean 1717-1976*, London: Associated University Presses
- Li, C. (2002), 'The Class Structure of China's Urban Society during the Transitional Period', *Social Sciences in China*, Spring, 2002, pp.91-99.
- Li, Ming (2001), 'China's Media Shape-up', *China Daily*, June 20, 2001, p.4.
- Li, Yinbo (2002), 'How Chinese Television and New Media Presented the US 9-11 Tragedy', *Television & New Media*, Vol.3 No. 2, May 2002, pp.223-229.
- Li, Pingnan and Zhang, Jianmin (2002), *Jiang Zemin de shehuizhuyi guan (Jiang Zeming's Conception of Socialism)*, Changsha: Hunan Moral Press.
- Li, Chuangchun (2003), 'Yong "sangedaibiao" zhongyao sixiang tongling xuanchuan sixiang gongzuo' (Leading Propaganda and Thought Work with "Three Representatives"), *Qiushi*, 2003 (9), pp.3-9.
- Li Chuangchun (2003), 'Chong "santiejin" rushou, gaijin he jiaqiang xuanchuan sixiang gongzuo' (Improve and Strengthen Propaganda and Thought Work with 'Three Proximities'), *Qiushi*, 2003 (10), pp.3-10.
- Li, Chunling (2004), 'Zhongchanjiechun: Zhongguo shehui zide guangzhu de renqun' (Middle Class in China: a Group worth studying), in *Zhongguo shehui xingshi fengxi yu yuche (Blue Book of China's Society: Analysis and Forecast on China's Social Development)*, Beijing: Social Sciences Documentation Publishing House.
- Li, Chui (2003), 'Zhongguo dianying zhidu gaige' (The Reform of Chinese Film System), *Xinwen zhoukan (News Weekly)*, December 15, 2003, pp.70-72.
- Li, Tieying (2001), *Lun minzhu (Democracy)*, Beijing: Renmin chubanshe & zhongguo shehui kexue chubanshe [the People's Press and ICSC Press]



- Li, Xiguang and Liu, Kang (1996), *Yaomohua zhongguo de beihou (Behind the Demonisation of China)*, Beijing: Zhongguo Shehui kexue chubanshe.
- Li, Xiguang (1998), *Zhongguo you duohuai (How bad is China?)*, Nanjing: Jiangsu People's Press.
- (2002), 'Quanqiuhua shidai xinwenxue jiben wenti' (The basic questions of journalism in the era of globalization), in Yin Hong *et al.* (eds.), *Quanqiuhua he Meiti (Globalization and Mass media)*(Beijing: Tsinghua University Press, 2002), pp.138-184.
- Li, Xi (2004), 'Leishidong zhai zhongguo mang dabu' (Redstone moved big steps in China), *Dongfangzhaobao (Oriental Post)* [shanghai], March 24, 2004, C8.
- Li, Xinmin (2003), 'Quyuhua, zhongguo dianshi fazhan de xindongxiang' (Regionalization, a New Trend of China's Television Development), in *Zhongguo chuanmei ziben shichuang yunying (The Operation in Capital Markets: China's Media)*, Guangzhou: Nanfangribaochubanshe, pp.146-151.
- Li, Yifei (2003), 'Guoji ziben yunying yu MTV de zhongguo bentuhua [The operation of international capital and MTV's Chinese localisation]', *Zhongguo chuanmei ziben shichuang yunying [The Operation in Capital markets: China's Media]*, Guangzhou: Nanfangribaochubanshe, pp.169-183.
- Lin, Hui (2004), *Wei wangcheng de lishi: zhongguo xinwen gaige qianyan (The Frontier of Press Reform in China)*, Shanghai: Fudan daxue chubanshe [Fudan University Press].
- Ling, Ling (2004), 'Yangshi dianshiju yinjin minyinghua jingying' (CCTV to Private Drama Production), *Xinhua News*, February 2, 2004.
- Lin, Gang (2004), 'Leadership Transition, Intra-party Democracy, and Institution Building in China', *Asian Survey*, 44:2, pp.255-275.
- Lindahl, Hans (2001), 'Sovereignty and the Institutionalization of Normative Order', *Oxford Journal of Legal Studies*, vol.21, No.1 (2001), pp.165-180.
- Lippmann, Walter (1927), *The Phantom Public*, New York: Machmillan.
- Lieberthal, Kenneth (1995), *Governing China, From Revolution through Reform*, New York and London: W.W. Norton & Company.
- Liu, Alan P.L. (1971), *Communications and National Integration in Communist*

*China*, Los Angeles and London: University of California Press.

Liu, Alan P.L (1975), *Communication and National Integration in Communist China* (2<sup>nd</sup> ed.), Berkeley: University of California Press.

Liu, Kang (2004), *Globalization and Cultural Trends in China*, Honolulu: University of Hawai'i Press.

Liu, Bingyan (1990), 'Impact of Media on Political Change, A Chinese Perspective' presented in The Annual Harold W. Anderson Lecture, November 29, 1990. Washington: The World Press Freedom Committee and the Centre for Strategic and International Studies.

Liu, Junning (2000), 'Classical Liberalism Catches on in China', *Journal of Democracy*, 2000, 11(3), pp.48-57.

Liu, Binjie (2004), 'Xinwen chuban gaige de silu he shijian, Beida Jiangzhuo (The Routine and Practice of China's Media reform', *Lectures at Peking University*, Vol.6, Beijing: Peking University Press, pp.25-58.

Liu, Jiezhong (2002), 'WTO dui xinwen gaige de tuidongli tanxi' (Research on the Push of WTO on Press Reform), at [www.cddc.net](http://www.cddc.net) <http://www.cddc.net/shownews.asp?newsid=3784>, accessed on September 30, 2003.

Liu, Junning (1998), *Gonghe minzhu xianzheng (Republic, Democracy, Constitutional Rule)*, Shanghai: Sanlian.

Loon, AD Van (1996), 'Global Trends—Global Solutions', in Vicki MacLeod (ed.) *Media Ownership and Control, Global Report Series*, London: International Institute of Communications.

Long, Simon (1999), 'Leadership Politics since 1989', in Robert Benewick and Paul Wingrove (eds.) *China in the 1990s*, London: Macmillan.

Louie, Kin-Sheng (2001), 'Village Self-Governance and Democracy in China: an Evaluation', *Democratization*, vol.8, No. 4, Winter, 2001, pp.134-154

Lu, Bilan (2003), 'Guangzhou sanjia ribao yilake zhanzheng zhuantibaodao zi bijiao' (The comparison of feature reporting about Iraq War in Guangzhou's three Dailies), *Baokan ziyou*, 2003 (3), pp.15-16.

Lu, Xingdong (2003), 'Zhongguo pindao fengxiantouzi yu guoji jiemu daili' (The venture capital in China's channels and the agents of international programmes), in *Zhongguo chuanmei ziben shichang yunying (The Operation in Capital markets:*



*China's Media*), Guangzhou: Nanfangribaochubanshe, pp.184-216

Lu, Di (1999), *Zhongguo dianshi chanye de fazhan zhanlu (The Development Strategies of China's Television Industry)*, Beijing: Xinhua Press.

Lu, Di (2002), 'Yapian zhanzheng jiaopian zhanzheng he guojihua' (The Opium War, Film War and Internalization), in Yin Hong, *et al.* (eds.), *Quanqiuhua he Meiti (Globalization and Mass media)*, Beijing: Tsinghua University Press, pp.217-228.

Lull, James (1991), *China Turned On, Television, Reform, and Resistance*, London: Routledge.

Lynch, Daniel C. (1999), *After the Propaganda State*, Stanford: Stanford University Press.

----- (2000), 'The Nature and Consequences of China's Unique Pattern of Telecommunications Development', in C.C. Lee (ed.), *Power, Money, and Media*, Evanston: Northwestern University Press, pp.179-207.

Ma, Shu-Yun (2000), 'Understanding China's Reform, Looking beyond Neoclassical Explanations', *World Politics* 52 (July 2000), pp.586-603.

Ma, Eric Kit-wai (2000), 'Rethinking Media Studies', in James Curran and Myung-Jin Park (eds.), *Dewesternizing Media Studies*, London: Routledge.

Ma Li (2003), '28 jia weishi changshi guanggao lianmeng' (28 Satellite TV Attempt to Ally in Advertising), *21st Century Economic Herald*, Oct.30, 2003, p.24.

Mao Zedong (1983), *Mao Zedong xinwen gongzuo wenxuan (Selected Writings on Journalism by Mao Zedong)*, Beijing: Xinhua Press.

Mao Zedong (1993), *Mao Zedong Wenji (2) (Selected Writings by Mao Zedong vol.2)*, Beijing: The People's Press.

Mao, Yushi (1998), 'Liberalism, Equal Status, and Human Rights', *Journal of Democracy*, 9.4 (1998), pp. 20-23.

Marr, David G. (ed.) (1998), *The Media in Vietnam*, Canberra: The Australian National University.

Markham, James W. (1967), *Voices of the Red Giants, Communications in Russia and China*, Iowa, The Iowa State University Press.

Massey, Brian L. and Levy, Mark R. (1999), 'Interactive Online Journalism at



English Language Web Newspapers in Asia', *Gazette*, vol. 61(6): 523-538.

Mazzoleni, Gianpietro (1987), 'Media Logic and Party Logic in Campaign Coverage: the Italian General Election of 1983', *European Journal of Communication*, Vol. 2 (1987), pp.81-103.

McChesney, Robert W. (1999), *Rich Media, Poor Democracy, Communication Politics in Dubious Times*, Urbana and Chicago: University of Illinois Press.

McCargo, Duncan (2003), *Media and Politics in Pacific Asia*, London: RoutledgeCurzon.

McCormick, Barrett L. (2003), 'Recent Trends in Mainland China's Media, Political Implications of Commercialization', *Issues & Studies*, Vol. 38 (4)-39 (1), pp175-215.

McCormick, Barrett L. and Unger, Jonathan (eds.) (1996), *China after Socialism*, New York: M.E. Sharpe.

McDowell, Stephen D.(1997), 'Globalization and Policy Choice: Television and Audiovisual Services Policies in India', *Media, Culture & Society*, vol.19, pp. 151-172.

McGuigan, Jim (2004), *Rethinking Cultural Policy*, Berkshire: Open University Press.

McGregor, Richard (2004), 'China to Open Media Outlets to Greater Private Investment', *Financial Times*, Feb.11, 2004, p.9.

McNair, Briand (2001), 'Media Professionals in the Former Soviet Union', in Jeremy Tunstall (ed.) *Media Occupations and Professions*, Oxford: Oxford University Press.

McQuail, Denis (1992), 'A Framework for Analysis of Media Change in Europe in the 1990s', in McQuail *et al* (eds.) *Dynamics of Media Politics*, London: SAGE.

McQuail, Denis (1998) "Commercialization and Beyond", in Denis McQuail and Karen Siune (eds.) *Media policy: convergence, concentration and commerce*. London: SAGE.

Meng, Qingxuan and Li, Mingzhi (2002), 'New Economy and ICT Development in China', *Information Economics and Policy*, 14 (2002), pp.275-295.

Meng, Jian (2003), 'Zhongguo guangdian chanye gaige de fengjin yu misi' (The Progress and Confusion of China's Broadcasting Sector in the Discourse of Reform),

in *Zhongguo Wenhua Chanye Pinglun (Review on China's Cultural Industries)*, vol. 1, Shanghai: Shanghai People's Press, pp.223-232.

Metzger, Thomas A. (1998), 'Source of Resistance', *Journal of Democracy*, vol.9.1 (1998), pp.18-26.

Misra, Kalpana (2003), 'Neo-left and Neo-right in Post-Tiananmen China', *Asian Survey*, 43 (5), pp. 717-744.

Mosco, Vincent (1996), *The Political Economy of Communication*, London: SAGE.

Mosco, Vincent and Rideout, Vanda (1997), 'Media Policy in North America', in John Corner, Philip Schlesinger and Roger Silverstone (eds.), *International Media Research*", London and New York: Routledge.

Mosco, Vincent (2000), 'Webs of Myth and Power: Connectivity and the New Computer Technopolis', in Andrew Herman and Thomas Swiss (eds.) *The World Wide Web and Contemporary Cultural Theory*, New York: Routledge, pp.37-60.

Murdoch, Rupert (2003), 'Meitichuanye de jiaji' (The Value of Media Industry), *Xuexi Shibao (Knowledge Times)*, Issue 207, Oct.20, 2003, p.5.

Murdoch, Rupert (2004), 'Keynote Address at the Asia Society Annual Dinner New York', Speech on February 25, 2004 in New York, at <<http://www.asiasociety.org/speeches/murdoch04.html>>, accessed on July 6, 2004.

Murroni, Cristina, Collins, Richard and Cotte, Anna (1996), *Converging Communications Policies in the 21<sup>st</sup> Century*, London: Emphasis.

Napoli, Philip M. (1999), 'The Marketplace of Ideas Metaphor in Communication Regulation', *Journal of Communication*, Autumn 1999, vol. 49 (4), pp.151-169.

Nathan, Andrew J. (1995), 'China's Constitutionalist Option', *Journal of Democracy*, 7.4 (1995) pp.43-57.

Nathan, Andrew J. (1998), 'Even Our Caution Must be Hedged', *Journal of Democracy*, 9.1 (1998), pp.60-64.

Nathan, Andrew J. (2003), 'Authoritarian Resilience', *Journal of Democracy*, 14.1 (2003) pp.6-17.

*New Capital Paper* (Dec.15,2003), 'Tonggang jiedu zhongguo dianying xinquxiang (Tonggang Shows the New Trends of China's Film)", Dec.15, 2003, p.3.

- Nye, Jr. Joseph S.(1990), 'Soft Power', *Foreign Policy*, Fall 1990, Issue 80, pp.153-172.
- Nye, Jr, Joseph S. (2002), 'Information Technology and Democratic Governance', in Kamarck E. C. and Nye J.S.(eds.) *Governance.com, Democracy in the Information Age*, Washington, DC: Brookings.
- North, Douglass C. (1990), *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press.
- Oksenberg, Michel (1998), 'Confronting a Classic Dilemma', *Journal of Democracy*, vol.9.1 (1998), pp.27-34.
- Oi, J. C. (1995), 'The Role of the Local State in China's Economy', *The China Quarterly*, 1995, No.147, pp. 1132-49.
- Oliveira, Omar Souki (1991), 'Mass Media, Culture and Communication in Brazil: The Heritage of Dependency', in Gerald Sussman and John A Lent (eds.) *Transnational Communications: Wiring the Third World*, Newbury Park: SAGE.
- O'Neil, Patrick H.(ed.) (1998), *Communicating Democracy, the Media & Political Transitions*, Boulder and London: Lynne Rienner.
- Pan, Xiaohong (2004), 'Nanduan yishen kaiting' (Trail on Nandu Case), *Caijing*, March 20<sup>th</sup> 2004. pp.45-47.
- Pathania-Jia, Geetika (2001), 'Global Parents, Local Partners: A Value-Chain Analysis of Collaborative Strategies of Media Firms in India', *The Journal of Media Economics*, 14(3), pp.169-187.
- Pei, Minxin (1994), *From Reform to Revolution, The Demise of Communism in China and the Soviet Union*, Cambridge and London: Harvard University Press.
- (1995), ' "Creeping Democratization" in China', *Journal of Democracy*, 6.4 (1995), pp. 65–79.
- (1997), 'Citizens vs. Mandarins: Administrative Litigation in China', *The China Quarterly*, No.152 (December 1997), pp.832-862.
- (2003), 'Contradictory Trends and Confusing Signals', *Journal of Democracy*, 14.1 (2003), pp.73 –81.
- Pen, Hsiao (1995), 'Separating the Party from the Government', in Carol Lee Hamrin and Suisheng Zhao (eds.), *Decision-making in Deng's China Perspectives*



*from Insiders*, New York and London: M.E. Sharp.

*People's Daily* (Feb. 9, 2004), Zhongguo quxiao dui waiguo dianshijiemu zhizuo de guiding (China Lifts Ban on Foreign TV Programme Production)', *People's Daily*, Feb. 9, 2004, p.5.

----- (Dec.11,1998) 'Jiang Zemin huijian xinwenjituan zhongcai' (*Jiang Zemin Met News Corp's President*), *Renminribao (People's Daily)*, Dec. 11, 1998, p.1.

----- (Feb.9, 2004) 'Zhongguo feichu dui waiguo dianshi jiemu shengcha de guiding' (China Lifts Ban on Foreign TV Program Production, *People's Daily*, Feb. 9, 2004, p.5.

Peng Jian (2002), 'Chengdu baoye jingzheng de xinxianxiang' (The new phenomena of Chengdu's press competition), *Zhongguobaoye [China Newspaper Industry]*, February 2002, pp.23-25.

Petrast, James (2000), 'China in the Context of Globalization', *Journal of Contemporary Asia*, Vol. 30 (1), 2000, pp108-116.

Plattner, Marc F. (2002), 'Globalization and Self-Government', *Journal of Democracy*, vol.13.3 (2002), pp.54-67.

Pierre, John (ed.) (2000), *Debating Governance: Authority, Steering, and Democracy*, New York: Oxford University Press.

Pierre, John and Peters, B. Guy (2000), *Governance, Politics and the State*, Houndmills and London: Macmillan Press.

Pinson, Gilles (2002), 'Political Government and Governance: Strategic Planning and the Reshaping of Political Capacity in Turin', *International Journal of Urban and Regional Research*, Vol.26.3 September 2002, pp.477-93.

Polumbaum, Judy (1990), 'The Tribulations of China's Journalism after a Decade of Reform', in Chin-chuan Lee (ed.) *Voices of China, the Interplay of Politics and Journalism*, New York and London: the Guilford Press.

Pomfret, John (2003), 'Doctor Says Health Ministry Lied about Disease', *Washington Post*, April 10, 2003, A26.

Pool, Ithiel de Sola (1990), *Technologies without Boundaries*, Cambridge and London: Harvard University Press.

Porter, Robin (ed.) (1992), *Reporting the News from China*, London: Royal Institute

of International Affairs.

----- (1996), 'Politics, Culture and Decision-making in China', in D. Brown and R. Porter (eds.), *Management Issues for China in the 1990s*, London: Routledge.

----- (2002), 'The Evolving Political Culture of the Hong Kong SAR', in Robert Ash, Peter Ferdinand, Brian Hook, Robin Porter (eds.), *Hong Kong in Transition: One Country, Two Systems*, London, Routledge-Curzon.

Potter, Pitman B.(2001), 'The Legal Implication of China's Accession to the WTO', *The China Quarterly*, Spring, 2001, pp.592-609.

Pratten, Stephen (1998), 'Needs and Wants: the Case of Broadcasting Policy', *Media, Culture & Society*, Vol.20, pp.381-407.

Price, Monroe E., Rozumilowicz, Beata, & Verhulst, Stefaan G. (2002), *Media Reform, Democratizing the Media, Democratizing the State*, London and New York: Routledge.

Qian, Wei (2002), *Zhengzhi, Shichang yu Dianshi Zhidu (Politics, Market and TV System)*, Zhengzhou: Henan People's Press.

Qiu, Liben (2003), 'Zhongguo meiti zhengtuo liaokao tiaowu' (China's Media Breaks Fetters to Dance), *Yazhou Zhoukan (The International Chinese Newsweekly)*, Oct.5, 2003, pp.26-29.

Qiu,Hongjie (2004), 'Zhongying jituan yindao zhongguo dianying chanyehua'(China Film Group: leading film industrialization in China), *Xinhua News*, Feb.1,2004.

Reeves, Geoffrey (1993), *Communication and the 'Third World'*, London: Routledge

Rhodes, R.A.W. (1997), *Understanding Governance, Policy Networks, Governance, Reflexivity and Accountability*, Buckingham and Philadelphia: Open University Press.

Richards, David and Smith, Martin J. (2002), *Governance and Public Policy in the UK*, Oxford: Oxford University Press.

Raboy, Mar.(ed.) (2002), *Global Media Policy in the New Millennium*, Luton: University of Luton Press.

Rozumilowicz, Beata (2002), 'Democratic Change, a Theoretical Perspective', in Price, Monroe, E., Rozumilowicz, Beata, and Verhulst, Stefaan (eds.) *Media Reform, Democratizing the Media, Democratising the State*, London and New York:

Routledge.pp.9-25.

Rosenau, James N. (1992), 'Governance, Order, and Change in World Politics', in James N. Rosenau and Ernst-Otto Czempiel (eds.) *Governance without Government: Order and Change in World Politics*, New York: Cambridge University Press.

Robertson, Roland (1990), 'Mapping the Global Condition: Globalization as the Central Concept', *Theory, Culture & Society*, vol. 1 (1990), pp.15-30

Robinson, Piers (1999), 'The CNN Effect: Can the News Media Drive Foreign Policy?', *Review of International Studies*, 1999(25),pp.301-309.

Salinas R. and Paldan, L. (1979), 'Culture in the Process of Dependence: Theoretical Perspectives', in K. Nordenstreng and H. Schiller (eds.) *National Sovereignty and International Communication*, NY: Ablex.

Saich, Tony (2000), 'Negotiating the State: The Development of Social Organization in China', *China Quarterly* no. 161 (March): 124-41.

Saich, Tony (2001), *Governance and Politics of China*, New York: Palgrave.

Saundry, Richard and Nolan, Peter (1998), 'Regulatory Change and Performance in TV Production', *Media, Culture & Society*, vol.20, pp.409-426.

Scalapino, Robert A. (1998), 'Current Trends and Future Prospects', *Journal of Democracy* 9.1 (1998), pp.35-40.

Schiller, H. (1969/1992), *Mass Communication and American Empire*, Norwood, NJ: Ablex .

Schiller, H. (1976), *Communication and Cultural Domination*, White Plains, NJ: International Arts and Sciences Press

Senft, Theresa M.(2000), 'Baud Girls and Cargo Cults: A Story about Profane Illumination on the Web', in Herman and Thomas Swiss (eds.) *The World Wide Web: and Contemporary Cultural Theory*, NY: Routledge, pp.183-206

Seno, Alexanrda (2003), 'The Guangdong Rules, a Southern Chinese Province is Now a Media Gateway', *Newsweek*, December 22, 2003, p.43.

Shao, Peiren and Yan, Wei (2003), 'Dui huaguo meiti gongsi jinyu Guangdong de sikao' (Thought of the Entry of Transnational Media Corporations to Guangdong), at <<http://ruanzixiao.myrice.com/kgcmjt.htm>>, accessed on November 27,2003.



Sheng, Liu (2004), 'Zhongguo jianqi sanji zhengfu xinxi fabu jiji' (China Establishes Three Levels of Government Informational Release System), *People's Daily*, at <<http://www.people.com.cn/GB/14677/14737/22039/2542790.html>>, assed on June 2,2004.

Shong, Wenquan and Zhou, Pingyuan (2003), 'Zhongguo dianshiju chanyehua yanjiu' (The research proposal for the industrialization of China's TV Drama), *Zhongguo Wenhua Chanye Pinglun (Review on China's Cultural Industries)*, vol. 1, Shanghai: Shanghai People's Press, pp.233-249.

Shi, Yan (2003a), 'Shanghai wenguang kaida huadiyu pai' (Shanghai Wenguang plays a cross-region card), *21st Century Economic Herald*, Oct.30, 2003, p.24.

Shi, Yan (2003b), 'Huana sanyi shouguo waizikonggu yingyuan' (Warner invests 300 million in China's cinema), *21st Century Economic Herald*, Oct. 20, 2003, p.32.

Shi, Feng (2004), 'Xinwenchubanye jiang zhai 2004 you zhongda tupo' (A Breakthrough of Press and Publication will Happen in 2004), at <<http://www.cddc.net/shownews.asp?newsid=6239>>, accessed on June 23, 2004

Shi, Chin-Yu (1999), 'Reconsidering the New Institutional Approach to China: English Writings by Chinese Scholars', *Journal of Communist Studies and Transition Politics*, Vol.15, No.2, June 1999, pp.126-145.

Shirk, Susan L (1996), 'Internationalization and China's Economic Reforms', in Robert Keohane and Helen Milner (eds.) *Internationalisation and Domestic Politics*, Cambridge: Cambridge University Press, pp.186-206.

Shlapentokh, D. (2002), 'Post-Mao China: an Alternative to "the End of History"?', *Communist and Post-Communist Studies*, vol.35.3, September 2002, pp.237-268.

Shoesmith, Brian (1998), 'No Sex! No Violence! No News, Satellite and Cable Television in China', *Media Asia*, Vol.25, 1998(1), pp.42-49.

Siebert, Fred S. Peterson, Theodore, and Schramm, Wilbur (1963), *Four Theories of the Press*, Urbana: University of Illinois Press.

Sinn, Elizabeth (2002), 'Emerging Media: Hong Kong and the Early Evolution of the Chinese Press', *Modern Asian Studies*, 36(2), pp. 421-465.

Siochru, Sean O. and Girard, Bruce (2002), *Global Media Governance*, Lanham: Rowman & Littlefield.

Song, Jiang (1996), *Zhongguo keyi shuo bu (China can Say No)* (Beijing: China's

Commercial Press.

Snow, Nancy (1998), *Propaganda Inc., Selling American's Culture to the World*, New York: Seven Stories Press.

Sparks, Colin (1992), 'The Press, the Market, and Democracy', *Journal of Communication* 42(1), Winter, 1992, pp.36-51.

----- (1994), *Broadcasting and Audio-visual Policy in the European Single Market*, London: John Libbey.

----- (1997), 'Post-Communist Media in Transition', in Coner, J, Schlesinger & Silversieue (eds.), *International Media Research*, London: Routledge.

----- -- (1998), *Communism, Capitalism and the Mass Media*, London: SAGE

----- (2000), 'Introduction: the Panic over Tabloid News', in Colin Sparks and John Tulloch (eds.), *Tabloid Tales: Global Debates over Media Standards*, NY: Routledge, pp.1-40.

Splichal, Slavko and Lent, A John (ed.) (1994), *Media beyond Socialism: Theory and Practice in East-central Europe*, Westview Press.

Sterling, Christopher H. (2000), 'US Communications Industry Ownership and the 1996 Telecommunications Act: Watershed or Unintended Consequences?', in Howard Tumber (ed.) *Media Power, Professionals and Policies*, London and New York: Routledge. pp.56-69.

Spitzer, Robert J.(ed.) (1993), *Media and Public Policy*, London: Praeger.

Stranahan, Patricia (1990), *Molding the Medium, the Chinese Communist Party and the Liberation Daily*, NY and London: M.E. Sharpe.

Straubhaar, Joseph D.(1997), 'Distinguishing the Global, Regional and National Levels of World Television', in Annabelle Sreberny-Mohammadi, Dwayne Winseck, Jim McKenna and Oliver Boyd-Barrett.(eds.) *Media in Global Context, A Reader*, London: Annold.

Strange, Susan (1996), *The Retreat of the State*, Cambridge University Press.

Street, John (2001), *Mass Media, Politics and Democracy*, NY: Palgrave.

Sun, L.(2001), 'Re-accumulation of Resources: the Background of Social Stratification in China in the 1990s', *Social Sciences in China*, Spring, 2002,

pp.59-68.

Sun, Min (1999), 'Xinxi shidai de chuanmei pinpai jingying' (Branding operation in the information era), *Zhongguo jize (zhengkan 2)* [*Journal of Chinese Journalist* (supplement 2)], 1999(2), pp.81-85.

Sun, Yanjun (2002), *Baoye zhongguo (Press Industry in China)*, Beijing, Three Gorges Press.

Sun, Xupei (1994), 'Xianfa shi zhongguo xinwen de zhizhen' (Constitution is the Guideline for News media in China), in *Xinwen lunzhan (Debate on Journalism)*, Beijing: Modern China Press.

----- (1998), 'Xinwen lifa: zuikunnan he zuixuyao de lifa' (Media Legislation: the Difficulties and the Needs), at [http://academic.mediachina.net/lw\\_view.jsp?id=540](http://academic.mediachina.net/lw_view.jsp?id=540), accessed on February 17 2004.

----- (2001), 'Rushi dui woguo xinwen de yingxiang ji duice sikao' (The Impact of WTO on Chinese Journalism and its Countering Strategies), *International Journalism (Guoji xinwenjie)*, 2001(3)).

----- (2004), *Dangdai zhongguo xinwen gaige (The News Reforms in Modern China)*, Beijing: People's Press

Tan, Zixiang (1999), 'Regulating China's Internet: Convergence toward a Coherent Regulatory Regime', *Telecommunication Policy*, 23(1999), pp.261-276.

Tang, Wangming and Peng, Xiaoli (2001), 'Xinwen jituan quanqiu jingzheng zhanlu ge zhongguo chuanmeiye de qisi' (The Inspiration from the Global Competition Strategies of News Corp. for the Chinese Media Industries), *China Press*, 2001(9), pp.50-56.

Thussu, Daya Kishan (ed.)(1998), *Electronic Empires, Global media and local resistance*, London: Arnocd.

----- (2000), *International Communication*, Oxford: Oxford University Press

Thompson, John B. (1995), *The Media and Modernity, A social theory of the media*

Tomlinson, John (1991), *Cultural Imperialism*. Baltimore, MD: Johns Hopkins University Press.

----- (1999), *Globalization and Culture*. Chicago: University of



Chicago Press.

Tong, Bing (1994), *Zhuti yu houshe: gongheguo xinwen chuanbo guiji shenshi (The Trajectory of News and Mass Communication in the PRC)*, Zhengzhou: Henan People's Press.

----- (2003a), 'Rushi yinian de zhongguo chuanmei shichuang xingju' (A New Framework of Chinese Media Industry after one Year's accession to the WTO), *Xinwen jizhe (News Journalist)*, Vol.239, 2003 (1), pp.5-9.

----- (2003b), 'Zhengzhi wenming: xinwen lilun de xinketi' (Political Civilization: A New Perspective on Journalism Theories), *Xinwen yu Chuanbo Yanjiu (Journalism & Communication)*, Vol.10(3), 2003, pp.13-20.

----- (2005), 'Wei chuanbo tizhi gaige tigong zhili zhichi' (The Provision of Intellectual Support for the Reforms of Mass Communication System), *Xinwenjie [News Cycle]*, 2005(1), pp.13-14.

Tunstall, Jeremy (ed.) (2001), *Media Occupations and Professions*, Oxford: Oxford University Press.

Varis, Tapio (1974), 'Global Traffic in Television', *Journal of Communication*, Winter 1974, pp.102-109.

Venturelli, Shalini (1998), *Liberalizing the European Media, Politics, Regulation, and the Public Sphere*, Oxford: Clarendon Press.

Voltmer, Katrin (2000), 'Constructing Political Reality in Russia', *European Journal of Communication*, 2000, Vol. 13(4), pp.469-501.

Walch, Jim (1999), *In the Net: An Internet Guide for Activists*, London: Zed Books.

Wallerstein, Immanuel (1990), 'Culture as the Ideological Battleground of the Modern World-System', in Featherstone E.(ed.) *Global Culture, Nationalism, Globalization and Modernity*, London: SAGE, pp.31-55.

----- (1996), 'The Inter-state Structure of the Modern World-system', in Steve Smith, Ken Booth and Marysia Zalewski (eds.) *International Theory: Positivism and Beyond*, Cambridge: Cambridge University Press, pp.87-107.

Wang, Juntao (1998), 'A "Gray" Transformation', *Journal of Democracy*, vol.9.1 (1998), pp.48-53.

Wang, Shaoguang (2002), 'Defective Institutions and Their Consequences: Lessons

- from China, 1980-1993', *Communist and Post-Communist Studies*, 35 (2002), pp.133-154.
- Wang, Yong (2002), 'China's Stakes in WTO Accession-The Internal Decision-Making Process', in Robert Ash and Heike Holbig (eds.) *China's WTO Accession: National and International Perspectives*, London: RoutledgeCurzon Press.
- (2000), 'China's Domestic WTO Debate', *The China Business Review*, 27 (1), pp.54-62.
- (1999), 'Why China Went for WTO', *The China Business Review*, 2 (7), pp.54-62.
- Wang, Georgette (1997), 'Beyond Media Globalization: A Look at Cultural Integrity From a Policy Perspective', *Telematics and Information*. Vol. 14 No.4, pp. 309-321.
- Wang, Fei-Ling (1998), *Institutions and Institutional Change in China, Premodernity and Modernization*, London: Macmillan Press.
- Wang, Chuangtian (2003), 'Zhongguo yule dianshi jiemu gongyehua shengchan', in *Zhongguo chuanmei ziben shichang yunying (The Operation in Capital Markets: China's Media)*, Guangzhou: Nanfangribaochubanshe, pp.320-331.
- Wang, Song (2002), *Xinwen yulun yanjiu (Research on News Scrutiny)*, Beijing: Xinhua Press.
- Wang, Jianru (2002), 'Dianshiju yao zhanzai xianjin wenhua jianshe de qianlie' (TV drama must stand for the frontier of modern culture), *Qiushi*, 2002(23), pp.38-40.
- Wang, Lanzhu (ed.) (2003), *Zhongguo dianshi shoushi nianbao (The Yearbook of China's Television Receiving 2003)*, Beijing: Beijing Broadcasting Press.
- Wang, Jiangmin (2003), 'Zhongguo xinmeiti fengqiyunyong' (China's New Media Flourishing), *Yazhou Zhoukan (The International Chinese Newsweekly)*, Oct.5, 2003, pp.30-31.
- Wang, Qiangjun (2004), 'Guangdian jituanhua, guan-shuang liangmian kunjing de jiannan qianxing' (The Dilemma of Double-faces as 'governor and enterprise' in the conglomeration of Broadcasting and Television Sector), *Chuanmei (Media)*, 2004(10), vol.66, pp.37-39.
- Warldron, Arthur (1998), 'The End of Communism', *Journal of Democracy*, vol. 9.1 (1998), pp.41-47.

- Warren, Bill (1980), *Imperialism: Pioneer of Capitalism*, London: Verso.
- Waterman, David, and Rogers Everett M. (1994), 'The Economics of Television Program Production and Trade in Far East Asia', *Journal of Communication*, 44(3), pp.89-111.
- Wells, Alan (1972), *Picture-Tube Imperialism? The Impact of U.S. Television on Latin-American*, New York: Orbis Books;
- Wei, Ran (2000), 'China's Television in the Era of Marketization', in David French Mike Richards (eds.) *Television in Contemporary Asia*. New Delhi: Sage, 325-346.
- Wei, Yongzeng (1992), *Zhongguo xinwen chuanbofa gangyao (The Structure of Law of Journalism and Mass Communication in China)*, Shanghai, Shanghai shehui chubanshe [Shanghai Social Science Press].
- (2002), *Xinwenfa xinlun (The New Concept of Press Law)*, Beijing: Haiguang chubanshe [The Custom Press]
- (2002), *Xinwen chuanbo fa jiaocheng (Law of Journalism and Mass Communication)*, Beijing: Zhongguo renmin daxue chubanshe [The People's University Press].
- Weiss, Linda (ed.) (2003), *State in the Global Economy: Bringing Domestic Institutions Back in*, Cambridge: Cambridge University Press.
- White III, Lynn, T. (1990), 'All the News: Structure and Politics in Shanghai's Reform Media', in Chin-Chuan Lee (ed.) (1990), *Voices of China: The Interplay of Politics and Journalism*, New York: Guilford Press, pp.88-110.
- Winckler, Edwin A. (ed.) (1999) *Transition from Communism in China*, London: Lynne Rienner.
- Wijnholds, Heiko de B. (2000), 'Transition of the Role and Structure of Mass Media in China and Some Implications for Advertising Strategy', *Managerial Finance*, Vol. 26 (4), 2000, 28-38.
- Williams, Harry (2001), 'Socialism and the End of the Perpetual Reform state in China', *Journal of Contemporary Asia*, 31(2), 2001, pp.161-19.
- Wong, Sonia M.L., Oppen, Sonja and Hu, Ruyin (2004), 'Shareholding Structure Depoliticization and Firm Performance, Lessons From China's Listed Firms', *Economics of Transition*, Vol.12(1) 2004, pp.29-66.



Wu, Guoguang (1995), ‘ “Documentary Politics”: Hypotheses, Process and Case Studies’, in Carol Lee Hamrin and Suisheng Zhao (eds.) *Decision-making in Deng’s China, Perspectives from Insiders*, New York and London: M.E. Sharp.

Wu, Guoguang (2000), ‘One Head, Many Mouths, Diversifying Press Structures in Reform China’, in Chin-Chuan Lee (ed.) *Power, Money and Media*, Illinois: Northwestern University Press, pp.47-53.

Wu, Jiaqing and Jiang, Guohai (2002), *Deng Xiaoping de Shehuizhuyi Guan (Deng Xiaoping’s Conception of Socialism)*, Changsha: Hunan Moral Press.

Wu, Keyu (2004), *Dianshi meiti jingjixue (Television Economics)*, Beijing: Huaxia Press.

Xia, Qianfang and Ye, Xiaohua (2003), ‘Chong siyu dao xuanwa: 2003.2-5: guonei meiti SARS weiji baodao gengzhong’ (From Silence to Chaos: the News Coverage on SARS in Domestic Media from February to May in 2003), *Xinwen yu chuanbo yanjiu [Journalism & Communication]*, 2003 vol. 10 (2), pp.56-65.

Xia, Yong (2004), *Zhongguo Minquan Zhexue (The Philosophy of Civil Rights in the Context of China)*, Shanghai: Shanglian Press.

Xiao, Gongqin (2003), ‘The Rise of the Technocrats’, *Journal of Democracy*, vol. 14 (1), January 2003.

Xie, Jiu (2003), ‘Guangkui Chenkui, shengmi chuanmei naoban xianqi ziben fengbao’ (Probing Chenkui: a Media Boss and his Capital Storm), *Xincaijing (New Financial Report)*, July, 2003, pp.28-31.

*Xinzhoukan* (2002), ‘2000 nian zhongguo dianshi paihangbang’ (2000’ Rank Board of Chinese Television), *New Weekly (Xin Zhou Kan)*, www.chuanmei.com, accessed on June 16, 2002.

*Xinhua News* (Nov.6, 2002a), ‘Yushigongjin de Zhongguo Meiti’ (China’s Media Changing with the Times), *Xinhua News*, Nov. 6, 2002, English Edition.

----- (Nov.6, 2002b), ‘China has boosted media cooperation with int’l companies since jointing WTO’, *Xinhua News*, Nov. 6, 2002.

----- (Jan.23, 2003), ‘Meiti faxing shichuang jiang gengjia kaifang’ (Media Distribution Market to Open Wider), *Xinhua News*, Jan. 23, 2003.

----- (April 1, 2003), ‘Huayu zhai dalu kuoda luodi’ (CETV expands distribution across Chinese mainland), *Xinhua News*, April 1, 2003.

----- (May 27, 2004), 'Fayanren peixun yinqi guangda guangzhu' (Spokesperson Training Programs Attract Wide Attention), *Xinhua News*, May 27, 2004.

Xu, Guangchun (ed.) (2000), *Zhonghuarenmingongheguo dianshi jianshi (The History of Broadcasting Television in the PRC)*, Beijing: China Broadcasting Press.

----- (2002), 'Jianchi zhongguo xianjin wenhua qianjin fangxiang, kaichuang guangbo yingshi shiye xin jumian' (Hold the right direction with China's modern culture, push a new advance in the broadcasting, film and television sector), *Quishi*, 2002 (2), pp. 8-12.

----- (2002), 'WTO yu guangbo yingshiye gaige' (WTO and Reforms of Broadcasting, Film and Television), at [http://academic.mediachina.net/xsjd\\_view?id=680](http://academic.mediachina.net/xsjd_view?id=680)., accessed on March 3, 2003.

Xu, Haiyan and Yang, Xinmin (2004), '2003 nian zhongguo "xinwen fayanren zhidu" zi shizheng yanjiu' (The Empirical Research on China's News Release System in 2003), *Xinwendaxue (Journalistic University)*, 2004(2), vol.80, pp.52-55.

Xu, Ming (2002), *Jianshe xinshiji de xianjin wenhua (Establishing Modern Culture in the New Century)*, Shanghai: Shanghai Social Association Press.

Xuexishibao (eds.) (2003), *Shehuizhuyi zhengzhiwenming lun (The Research on Socialism Political Civilization)*, Hangzhou: Zhejiang People's Press.

Yan, Jiaqi (1997), 'From Communism to Democracy: Democratic Transformation in the Post-Deng Era', *The China Strategic Review*, vol. 2 (2), pp.19-29.

Yan, Xu, and Pitt, Douglas C. (1999), 'One Country, Two Systems: Contrasting Approaches to Telecommunications Deregulation in Hong Kong and China', *Telecommunication Policy*, 23 (1999), pp.245-260.

Yan, Xu (2001), 'The Impact of the Regulatory Framework on Fixed-mobile Interconnection Settlements: the Case of China and Hong Kong', *Telecommunications Policy*, 25 (2001), pp.515-532.

Yang, Dali (2002), 'China in 2001: Economic Liberalization and Its Political Discontents', *Asian Survey*, 42:1, pp.14-28.

Yang, Guohua and Cheng, Jin (2001), 'The Process of China's Accession to the WTO', *Journal of International Economic Law* (2001), pp.297-328.



Yao, Lin (2003), "2003 nian zhongguo baozhi chanye yanjiu (The Analysis of Newspaper Advertising Market in 2003)", *Huichong Media Research*, at <<http://www.media.sinobnet.com/wzjx/040211.htm>>, accessed on May 25, 2004.

Yang, Boxu (2003), 'Chong guoji chuanbo dao quanqiu chuanbo: kuaguogongsi de jieru ji qi yingxiang' (From International Communication to Global Communication: the Impact of Transnational Media Corporations), *Xinwen yu chuanbo yanjiu [Journalism & Communication]*, 2003 vol. 10 (3), pp.29-38.

Yang, Fengchun (2002), *Zhongguo Zengfu Gaiyao (Introduction to China's Government)*, Beijing: Beijing daxue chubanshe [Beijing University Press].

Yang, Weiguang (2001), 'Ba zhongguo dianshiye zuodazuoqiang' (Expand and Strengthen China's Television Industry), *Xinhua Multimedia Database*, at <<http://10.103.8.81/publish/publishText?pLang?=CHN&ValueID=24442338>>, accessed November 26, 2003.

Yang, Chiyuan (2005), 'Shenhua guangli biange, jiaqiang zhidu chuangxin' (Furthering Management Transformation, Focusing on Institution Creation), *Chuanmei (Media)*, 2005(3), vol.77, pp.10-14.

Yang, Ruiming (2003), 'Chuanbo quanqiuhua: xifang ziben de huanguo yundong' (Global Communication: the Multi-Nationalization of Western Capital), at <[http://academic.mediachina.net/xsqk\\_view.jsp?id=491](http://academic.mediachina.net/xsqk_view.jsp?id=491)>, accessed on January 17, 2003.

Yin, Hong (2001), 'Quanqiuhua haohaiwu yu minzu dianying (Globalization, Hollywood, and National Film)', *Yingshi Yishu (Audiovisual Art)*, 2001(1), pp15-19.

----- (2002a), 'Meaning, Production, Consumption: The History and reality of Television Drama in China', in Donald, S. Keane, M and Yin, H. (eds.) *Media in China, Consumption, Content and Crisis*, London: RoutledgeCurzon.

----- (2002b), 'Quanqiuhua, haolaiwu he guochanpian' (Globalization, Hollywood and National Movies), in Yin Hong and Li Bin (eds.) *Quanqiuhua he Meiti (Globalisatin and Mass Media)*, Beijing: Qinghua University Press.

- ----- (2003), 'Quanqiuhua Beijing xia zhongguo chuanmei de hexin jingzhengli chutang' (The Competitiveness of China's Media in the Discourse of Globalization), *Zhongguo Wenhua Chanye Pinglun [Review on China's Cultural Industries]*, vol. 1, Shanghai: Shanghai People's Press, pp.189-200.

Yin, Hong and Li, Degang (2004), '2003: Zhongguo dianshi chanye' (China's Television Industry in 2003), *Nanfang Dianshi (Journal of Southern Television)*, No



2, 2004.

Yin, Xiaorong (2004), 'Quanqiuhua beijingxia de zhongguo qikanye' (China's Periodical Industry under Globalization), *Guojixinwenjie (Journal of International Communication)*, 2004 (4), vol.126, pp.38-42.

Youngs, Gillian (1996), 'Dangers of Discourse: The Case of Globalization', in Eleonore Kofman and Gillian Youngs (eds.) *Globalization: Theory and Practice*, NY : Printer.

Yu, Jinglu (1990), 'The Structure and Function of Chinese Television, 1979-1989', in Chin-Chuan Lee (ed.), *Voice of China: the Interplay of Politics and Journalism*, Guildford Press.

Yu, Dan (2004), 'Dianshi xinwen, meiti bianju de jujiaodian' (TV News, the Focus of Media Transformation), *Zhongguo guangbo dianshi xuekan (China Radio & TV Academic Journal)*, 2004(1), pp.9-11.

Yu, Min (2001), *Jiaru WTO yu zhongguo chubanye fazhan (The Entry of WTO and the Development of Chinese Publication)*, Beijing: China Book Press

Yu, Guoming (2002), *Jiexi chuanmei bianju (Interpreting the Transformation of Media Industry)*, Guangzhou: the Southern Daily Press.

----- (2004a), 'Zhongguo meiti chanye de guoqu yu weilai' (The Past and Future of China's Media Industry)', in Xiaoming Zhang, Huilin Hu, and Jiangang Zhang (eds.) *Wenhua Lanpishu (Blue Book of China's Culture: The Development Report of China's Cultural Industry: 2004)*, Beijing: Social Sciences Documentation Press.pp.69-74.

----- (2004b), *Meiti biange (Media Transformation)*, Guangzhou: Nanfang Press

----- (2005), *Gaige chuanmei, Jiexi zhongguo chuanmei zhuanxing wenti (Media Transformation, The Analysis of Transformative issues in China's Media)*, Beijing, Huaxia Press.

Yu, Xuejian (1996), "'Localism" in Chinese Media Context: an Examination of a Closed Circuit Community Cable System', *Journal of Broadcasting & Electronic Media*, Spring, 1996, vol.40 (2), pp.208-228.

Venturelli, Shalini (1998), *Liberalising the European Media*, Oxford: Clarendon Press.

Zeng, Huaguo (1998), *Shouguo zhongguo (Buying China)*, Nanjing: Jiangsu People's Press.

----- (2004), *Meiti de kuangzhang, quanqiuhua, shuangyehua he jiyuehua (Media Expansion: Globalization, Commercialization and Convergence)*, Guangzhou: the Southern Daily Press.

----- (2006), *Zhongguo si 'pafeng': diaocha baodao, xinwen chuanbo he shehui biange (China's Muckraker, Investigative Report, Mass Communication, and Social Transition)*, Guangzhou: the Southern Daily Press.

Zhang, Qi (2002), 'The Dynamics from the Ideal to the Reality: the Rule of Law in China', *Social Sciences in China*, Spring, 2002, pp.14-28.

Zhang, Wanli (2002), 'Twenty Years of Research on Stratified Social Structure in Contemporary China', *Social Sciences in China*, Spring, 2002, pp.48-58.

Zhang, Kevin Honglin (2001), 'How Does Foreign Direct Investment Affect Economic Growth in China', *Economics of Transition*, Vol. 9(3), 2001, pp.679-693.

Zhang, Aizhong (1999), *Di si zhong quanli, chong yulunjiandu dao xinwen fazhi (The Fourth Power, From Press Scrutiny to Rule of Law)*, Beijing: Minzhu Press.

Zhang, Yuliang (2003), 'Dalu baoye jingying zhidu gaige' (The institutional Reform in Mainland's Press Management), *Zhongguo dalu yuanjiu (Mainland Research)*, vol.45 (6), pp.23-48.

Zhang, Xiaoming (2003), 'Dangdai wenhua chanye yu jiaru WTO dui zhongguo wenhua chanye de yingxiang' (The impact of modern cultural industry and WTO on China), *Zhongguo Wenhua Chanye Pinglun (Review on China's Cultural Industries)*, vol. 1, Shanghai: Shanghai People's Press, pp.40-58

Zha, Jianying (1995), *China Pop, How Soap Operas, Tabloids, and Bestsellers are Transforming a Culture*, New York: The New Press.

Zhao, Suisheng (1998), 'Three Scenarios', *Journal of Democracy*, vol.9.1, pp54-59.

Zhao, Yuezhi (1998), *Media, Market, and Democracy in China: Between the Party line and the Bottom Line*. Urbana, IL: The University of Illinois Press.

----- (2000a), 'From Commercialization to Conglomeration: The Transformation of the Chinese Press within the Orbit of the Party State', *Journal of Communication*, 50(2), pp.3-22.



------(2000b), 'Caught in the Web: the Public Interest and the Battle for Control of China's Information Superhighway', *Info*, vol.2 (1), February 2000, pp.41-66.

----- (2001), 'Media and Elusive Democracy in China', *Javnost-The Public*, 8(2), pp.21-44.

Zhao, Yuezhi and Schiller, Dan (2001), 'Dance with Wolves? China's Integration into Digital Capitalism', *Info.*, Vol.3(2), April 2001, pp.137-151.

Zhao, Yuezhi (2003a), 'Transnational Capital, the Chinese State, and China's Communication Industries in a Fractured Society', *The Public*, Vol.10 (2003), pp.53-74

----- (2003b) 'Enter the World, Neo-liberal globalization, the Dream for a Strong Nation, and Chinese Press Discourse on the WTO', in C.C. Lee (ed.) *Chinese Media, Global Contexts*, London and NY: RoutledgeCurzon, pp.32-56.

Zhao, Zhengyu (2003), Jiji yingdui wangluo meiti he jiaru shimao de xintiaozhan 'Actively facing the new challenges of Internet medium & the Entrance of WTO', *Xinwen yu Chuanbo Yanjiu (Journalism & Communication)*, Vol. 10(3), 2003, pp.21-29.

Zheng, Guihong (2002), 'Meiti chengwei zhongguo disi chanye' (Media Now Fourth Largest Industry in China ), at <http://www.china.org.cn/english/2002/Dec/50524.htm>, accessed on March 14 2004.

Zheng, Xiaoning (2004), 'Siyong shuye xunshu fazhan' (The Rapid Growth of Private Publishing Sector), *Liberation Daily*, Jan. 30, 2004, p.2.

Zheng, Baowei (2004), 'Gaishuan Yulunjiandu de xiangfa' (Some Thoughts for Improving Public Scrutiny), in Zhang, Jian (ed.) *Yulun Jiandu zipishu (Public Scrutiny)*, Guangzhou: Southern Daily Press.

Zhi, Tingrong (2000), *Meiti Guanli (Media Management)*, Guangzhou: Jinan University Press.

Zhong, Yong (2002), 'Debating with Muzzled Mouths: a Case Analysis of How Control Works in a Chinese Television Debate Used for Educating Youths', *Media, Culture & Society*, Vol. 24, pp. 27-47.

Zhou, Dongsheng, Zhang, Weijong, and Vertinsky, Ian (2002), 'Advertising Trends in Urban China', *Journal of Advertising Research*, May-June 2002, pp.73-81.



Zhou, Wei (ed.) (2002), *Meiti Qianyan Baogao (The Frontier Report of China's Media Industry)*, Beijing: Guangming Daily Press.

Zhou, Weihua (2004), '2003: tushuchuban tupo chongwei' (2003: publishing industry rushing out), *Wenhua (Culture Concern)*, Jan. 2004, pp.15-16.

Zhong, Guangming (2002), 'Baoye jingzheng fazhan de zhongyao huanjie' (An Important Step for Press Competition and Development), *Zhongguo Baoye [China Newspaper Industry]*, August, 2002, pp.6-10.

Zhongyangdangxiao [The Central Party School] (2001), *Zhongguo Gongchandang yu Zhongguo Xianjin Wenhua (The China Communist Party and China's Modern Culture)*, Beijing, The Central Party School Press.

*Zhonghua Renmin Gongheguo Xin Fagui Huibian (2003), (New Rules and Laws in the People's Republic of China , 2003)*, Beijing: Zhongguo Legal Press.

*Zhonghua Renmin gongheguo Zhuzuoquan fa bianzhu (1992-2002) [Copyright Law of the People's Republic of China (1992-2002)]*, Beijing: Zhongguo Legal Press.

*Zhongguo guangbo dianshi nianbao (1991-1999), (Yearbook of Chinese Radio and Television, 1991* (various years from 1991 to 1999), Beijing: Beijing Broadcasting Academic Press.

*Zhongguo guangbo dianshi nianbao, 1992-1999 (Yearbook of Chinese Radio and Television, 1992-199)* ,Beijing: Beijing Broadcasting Institute Press.

Zhu, Minyan (2003), 'Yingdui rushi tiaozhan, zengqiang jingzheng shili' (Strengthening Competitiveness in Face of the Challenges of the WTO), *Qiushi*, 2003.3, pp.48-50.

Zhu, Tianbiao (2003), 'Building Institutional Capacity for China's New Economic Opening', in Linda Weiss (ed.) *State in the Global Economy, Bringing Domestic Institutions Back in*, Cambridge: Cambridge University Press, pp.142-160.